

Social Care Fair Work Forum

Evidence-Base/ Justification Document
to Support Implementation of the Real
Living Wage (RLW).

*(for individuals delivering social care
through commissioned services in the
independent social care sector)*

Final Report – September 2025

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Important Notice

The Ulster University Economic Policy Centre, supported by Morrow Gilchrist Associates Ltd. (MGA), has been commissioned by the Social Care Fair Work Forum to develop this report. The purpose of this report is to provide an evidence-base/ justification document to support implementation of the Real Living Wage (for individuals delivering social care through commissioned services in the independent social care sector in NI) to the Fair Work Forum (FWF). We would like to acknowledge the support and work of FWF members in supporting the analysis.

In developing this report, we used data and information provided to us which was obtained from a range of sources including, for example, budgetary cost information provided by SPPG, headline registrant data and survey reports from the NISCC.

We have indicated within this report the sources of the information provided to us. We have not sought to independently verify those sources. We therefore cannot provide assurance on the accuracy of this information.

The procedures we carried out in performing the work that forms the basis of this report did not constitute an audit. As such, the content of this report should not be considered as providing the same level of assurance as an audit.

It should be noted that the information contained in this report is subject to change as a result of changing economic circumstances and factors and is based on circumstances, data and information available at the time of drafting.

This report has been developed solely for the Fair Work Forum and is not suitable to be relied on by any third party wishing to acquire rights against the Ulster University or MGA for any purpose or in any context. Any party that obtains access to this Report and chooses to rely on this report (or any part of it) does so at their own risk

1. Introduction

Background to the Social Care Fair Work Forum

- 1.1 The Social Care Fair Work Forum (the 'Forum') has been established as a social partnership group committed to embedding Fair Work initiatives and improving terms and conditions for everyone employed across all parts of the social care sector.
- 1.2 The Forum exists to enable representatives of trade unions, employers, key stakeholders, Government Departments and other statutory agencies to work together to influence priorities and policy regarding fair work in the social care sector in Northern Ireland.
- 1.3 The founding principle for the Forum is the recognition that delivering better Fair Work outcomes will improve the lives of the entire social care workforce. A recurring message is that the workforce is the greatest asset of the Health and Social Care (HSC) sector. A motivated and suitably paid workforce will enhance and develop the quality-of-care provision, strengthen the long-term resilience of the sector by assisting it to recruit, develop and retain committed, skilled and well-motivated workers. Care services are a core public service which makes our communities stronger and more resilient.
- 1.4 Aligned to the above Fair Work in Northern Ireland is defined as follows:

Fair Work is one which offers a fair reward, opportunity and fulfilment, by ensuring that workers are heard, represented and secure within a healthy, inclusive environment where rights are protected

- 1.5 The promotion of equality of opportunity (as outlined under Section 75 of the Northern Ireland Act 1998) and human rights (as outlined under the Human Rights Act 1998 and relevant international human rights treaties and instruments) is integral to the implementation of the Forum's overarching work
- 1.6 An immediate priority of the Forum has been to progress the **"Power to People" recommendation that the social care sector should be, at least, a Real Living Wage (RLW) sector** - as a first step to recognition as a professional workforce. In the long term the vision of the Forum is to equalise pay and conditions across social care.
- 1.7 The *Power to People: Proposals to Reboot Adult Care and Support in Northern Ireland* report¹ was published in December 2017 by an Expert Advisory Panel. In

¹ <https://www.health-ni.gov.uk/sites/default/files/publications/health/power-to-people-full-report.PDF>

addition to advocating for the Real Living Wage (RLW) for care workers as a central element of system transformation, the proposals emphasised the importance of person-centred care and ensuring that both individuals and their carers receive appropriate support.

- 1.8 Equivalent forums have existed for some time in the other devolved nations of the UK. Section 3 provides an overview of the work undertaken by these forums in Wales and Scotland to promote Fair Work practices, including the implementation of the Real Living Wage (RLW) for adult social care staff who provide direct care through commissioned services.

Overview of the Independent Social Care Sector

- 1.9 The social care workforce is the largest within the Health and Social Care system in NI. As of the June 2025 quarterly report, the NISCC Live Register recorded a total of 41,825 registered social care workers in NI.

- 77.75% of registered social care workers are employed in the non-statutory / independent sector.
- 21.18% are employed in the statutory (public) sector.
- A very small proportion of registrants are in transition between roles or sectors and are not currently categorised as either statutory or non-statutory.

- 1.10 While the Live Register reflects some natural movement in the workforce, data trends since March 2023—when these quarterly reports began—show a consistent pattern of:

- 73% to 78% of workers employed in the non-statutory sector.
- 21% to 23% in the statutory sector.

- 1.11 These figures indicate that the sectoral distribution of the social care workforce has remained stable over time. They also clearly **underline the critical importance of the independent (non-statutory) sector workforce in delivering social care** in NI.

- 1.12 Social care workers in the independent/ non-statutory sector² are:

- Predominantly female (over 80%);
- Predominantly in the under 40 age bands (57%); and
- In terms of recorded nationalities – 38% British; 8% Northern Irish; 17% Irish and 37% outside the UK and Ireland.

² This data is based on a live extract on 28/08/25

- 1.13 The social care sector in NI, as in much of the UK, **relies heavily on migrant workers**. Over the years, the country of origin of migrant workers in this sector has evolved, influenced by a variety of factors, that are dynamic and influenced by changes in both domestic policy (post-Brexit) and global migration flows. EU nationals (excluding Ireland) entering NI were, by a significant margin, the largest driver of National Insurance Number (NINO) registrations in 2015. This has fallen dramatically and in recent years has been replaced by migrants entering from outside continental Europe, in particular Asia and Africa³.
- 1.14 The independent social care sector in NI consists of private, community, voluntary, charitable, and church-affiliated organisations that provide residential and nursing home care, supported living arrangements, day care and homecare (domiciliary care). Services are provided for older people, vulnerable adults, including those with learning disabilities or mental health conditions and people with other special needs. In line with the trends in the registered workforce detailed above, the independent sector dominates in terms of the volume of provision.
- 1.15 On 27 September 2023, the Regulation and Quality Improvement Authority (RQIA) conducted a census of registered Nursing Homes and Residential Care Homes across NI. The census identified a total of 468 registered Care Homes, providing a combined capacity of 15,836 beds. The findings highlight the predominant role of the independent care sector (i.e., non-Trust / non-statutory providers), which accounted for approximately 93% of all registered Care Home beds—equating to around 14,804 beds. In contrast, statutory (Trust-managed) Care Homes provided just 7% of total bed capacity, or approximately 1,032 beds. These figures underscore the **significant dependence on independent sector providers in the delivery of care home services** across the region.
- 1.16 A similar picture exists in relation to homecare (domiciliary care). A survey was undertaken in 2023 to capture a snapshot of domiciliary (homecare) services for adults across Northern Ireland. The data reflects the volume of clients, visits, and contact hours delivered by both statutory and independent sectors during the designated survey week – per the table overleaf.

³UUEPC – Northern Ireland Demographics 2025

<https://www.nerininstitute.net/sites/default/files/2025-06/Gareth%20Hetherington%20UU%20for%20website%20June%202025.pdf>

Domiciliary Care Services Survey – Northern Ireland (2023) ⁴	
Clients Receiving Domiciliary Care	<p>A total of 23,249 clients received domiciliary care services.</p> <ul style="list-style-type: none"> • 7,336 clients were supported by the statutory sector. • 17,843 clients were supported by the independent sector. • Notably, 1,930 clients received care from both sectors.
Volume of Visits	<p>590,838 domiciliary care visits were provided during the survey week.</p> <ul style="list-style-type: none"> • 23% of these visits were delivered by the statutory sector. • 77% were provided by the independent sector.
Contact Hours Delivered	<p>A total of 294,353 contact hours were recorded.</p> <ul style="list-style-type: none"> • The statutory sector delivered 24% of total contact hours. • The independent sector delivered 76% of total contact hours.
Sectoral Share of Contact Hours by HSC Trust	<p>Across all five Health and Social Care (HSC) Trusts, the independent sector provided most domiciliary care contact hours. The distribution varied by Trust:</p> <ul style="list-style-type: none"> • Belfast HSC Trust: 86% of contact hours delivered by the independent sector. • Southern HSC Trust: 58% of contact hours delivered by the independent sector. • Other Trusts also reported higher proportions of care delivered by the independent sector, though at varying levels.

1.17 This data highlights the **significant role of the independent sector in the delivery of domiciliary care across NI**, both in terms of reach and intensity of service provision.

Interdependencies with Other Reform Programmes/ Initiatives

1.18 Interdependencies exist between the work of the Forum and this proposal to implement the RLW for adult social care staff who provide direct care through commissioned services, with other programmes of reform activity.

1.19 The first is the reform of adult social care which is being overseen by the **Social Care Collaborative Forum** (the Collaborative Forum). This is a mechanism through

⁴ [Domiciliary care services for adults in Northern Ireland](#)

which the Department of Health (DoH) works in partnership with representatives of the Social Care Sector (statutory, voluntary/community and private sectors) to build shared values and deliver improvements that will support and sustain adult social care now and into the future. It is working to implement proposals arising out of the consultation on the Reform of Adult Social Care⁵ and has a clear purpose to align this with the DoH strategic priorities for improvement and transformation in the HSC. This ensures that the position and contribution of social care in the wider HSC system is both recognised and valued.

1.20 The work of the Collaborative Forum is structured around eight workstreams, each of which has headline actions within the 24/25 Delivery Plan⁶ – per the table below.

	Workstream	Headline Actions
1	Maximising Capacity	<ul style="list-style-type: none"> ▪ Develop and test new models of home care delivery. ▪ Implement regional model on early discharge review. ▪ Implement statutory digital home care solution across all Trusts. ▪ Develop a revised regional brokerage system.
2	Workforce	<ul style="list-style-type: none"> ▪ Publish and commence implementation of the Social Care Workforce Strategy. ▪ Develop and publish the Social Care Career Pathways and Continuous Learning Framework. ▪ Consider options for increasing international recruitment.
3	Enhancing Care in Care Homes	<ul style="list-style-type: none"> ▪ Develop and agree action plan for CPEA Paper 5 on Care Home Providers. ▪ Develop and agree action plan for CPEA paper 6 on A Care Home Market. ▪ Update and issue revised Care Standards for Nursing Homes and Residential Care Home Minimum Standards.
4	Data, Research and Evidence	<ul style="list-style-type: none"> ▪ Identify a road map for the delivery of Social Care Data, research and evidence. ▪ Connect with key stakeholder datasets and continue to build on a Power BI social care intelligence platform. ▪ Present a final workstream action plan set out under key themes to deliver on workstream outcomes

⁵ <https://www.health-ni.gov.uk/publications/reform-adult-social-care-consultation>

⁶ <https://www.health-ni.gov.uk/sites/default/files/publications/health/doh-sccf-delivery-plan-24-25.pdf>

5	Communications	<ul style="list-style-type: none"> ▪ Deliver Year 4 of the annual 'Social care – Making a difference' campaign. ▪ Evaluate Years 1-4 of the 'Social care – Making a Difference' campaign. ▪ Promote the work of the Social Care Collaborative Forum
6	Commissioning and Contracting	<ul style="list-style-type: none"> ▪ Complete an early assessment of what is required contractually to facilitate Independent Sector (IS) providers to restructure (should they wish to do so in respect of VAT reclaim). ▪ Complete review of the Care Home Contract and identify any interdependencies with the Care Home Standards, the 2010 Circular and the Charging for Residential Accommodation Guidance (CRAG). ▪ On the basis of the review of the Care Home contracts, provide the HSC Trusts with a regionally consistent contract for them to utilise to secure care home placements from 2025/2026 onwards.
7	Supporting Unpaid Carers	<ul style="list-style-type: none"> ▪ Develop recommendations for an expanded Carers Register for Northern Ireland. ▪ Develop recommendations on future information systems for unpaid carers. ▪ Complete review of the 2006 Carers Strategy and develop recommendations on the future strategic policy direction for unpaid carers
8	Supported Living	<ul style="list-style-type: none"> ▪ Develop an evidence-based review of findings from supported living research. ▪ Map existing services commissioned by HSC and Supporting People to consider reach, funding, impact and best practice. ▪ Develop a shared definition for Supported Living. ▪ Clarify the boundaries and interdependencies between tasks relating to personal care support and housing related support.

1.21 By way of an example of an interdependency, the action under 'Commissioning and Contracting' workstream to work towards a **regionally consistent Care Home**

contract across HSC Trusts is particularly relevant. In Wales the introduction of the RLW for social care workers providing care under commissioned services (detailed in Section 3.2) was linked to standardisation of different contracting arrangements. From 1 September 2024, the standardisation came into effect via the National Framework for Commissioning of Care and Support in Wales, which includes a requirement for commissioners of care and support services to have regard to Welsh Government guidance relating to the implementation of the RLW, further reiterating the expectation that the RLW should be paid.

1.22 A second example of an interdependency is in relation to action under the 'Workforce' stream to develop and implement a **Social Care Workforce Strategy**⁷. This strategy is now published and operational. It sets out a vision and actions to develop a sustainable social care workforce over the next ten years (2025-2035). It is structured around seven priorities in the adjacent graphic. In terms of actions, it reiterates the importance of improving the pay, terms and conditions of social care practitioners. Also, that the commissioning of HSC contracts should require employers to implement agreed pay, terms & conditions and training requirements. In the context of these



actions the strategy recognises **the importance of the first step of the Forum in building a case for change that the independent sector should be, at least, a Real Living Wage sector**. Through Priority 3, the strategy recognises the importance of social care workers, having access to qualifications and opportunities to develop and progress. This is relevant to the medium-term ambitions of the Forum, once the foundational step of the RLW is achieved, following the path taken in Wales – which moved onto to the development for a Pay and Progression Framework within the social care sector in Wales after the RLW was introduced in 2022.

⁷ <https://niscc.info/app/uploads/2020/12/doh-social-care-strategy-2025-2035.pdf>

- 1.23 In the skills arena it is also important to reference the recently launched **All-Party Group on Skills report, A People-First Approach to Skills for Social Care**⁸. The report underscores the pivotal economic and societal role of social care in NI—highlighting its significant workforce, economic output, and high socio-economic return. However, it also exposes chronic shortcomings around pay, working conditions, training, and professional recognition. The All-Party Group calls for decisive government action, including strategic workforce planning, investment in training infrastructure, dementia-specific education, and the development of clear career pathways to professionalise and bolster the sector. Importantly it acknowledges the commitment by the Health Minister to fund the RLW for social care as a crucial step towards improving terms and conditions and stabilising the workforce and the importance of the work of the Forum in helping to reinforce this commitment.
- 1.24 A third interdependency for the work of the Forum is the consultation recently launched on the development and implementation of **a new Learning Disability Service Model**⁹. According to the NISCC Live Register Report (June 2025), the ¹⁰second-largest group of social care workers (14.34%) are employed in services for adults with a learning disability, spanning all service areas. The Service Model centres on six key ambitions: - Life changes; Health & Wellbeing; Families & Carers; Meaningful Lives & Citizenship; Home; and Mental Ill Health and Behaviours of Distress or Concern. Retaining and further building a skilled social care workforce – where the work of the Forum can contribute – will be foundational to making the new model work. Indeed, it is crucial for individuals with learning disabilities who rely on stable relationships and tailored support.
- 1.25 Finally, another interdependency or ‘enabling lever’ for the work on the Forum, is the **Economic Mission** of the Department for the Economy (DfE). This is built around four strategic priorities, one of which is creating **"Good Jobs"**—defined as roles offering:
- Permanent contracts
 - Non-zero-hour arrangements
 - **Pay at or above the Real Living Wage**
- 1.26 The metrics above have been selected as core measurable indicators drawn from the broader Carnegie Framework¹¹ of job quality. Adult social care can rely on short-term or zero-hour contracts and, as evidenced in the findings of the Social Care Worker survey implemented by the Forum (detailed in Section 2.3), pay frequently

⁸ <https://university.open.ac.uk/northern-ireland/our-work/policy-and-public-affairs/all-party-group-on-skills>

⁹ <https://www.health-ni.gov.uk/consultations/learning-disability-service-mode/>

¹⁰ The greatest number of Social Care Workers (41.53%) work in services for Older People.

¹¹ <https://www.economy-ni.gov.uk/topics/good-jobs-statistics-and-research>

falls below the RLW. This is further evidenced by the 'Good Jobs in Northern Ireland' report¹² published by the Northern Ireland Statistics & Research Agency (NISRA) in 2024. The analysis sets out the proportion of 'good jobs' in NI from 2017 to 2024 - against the three criteria above - and includes a focus by occupation. The rate of 'good jobs' in NI generally stood at 66.7% in 2024. The occupational category of '**Caring, Leisure and Other services**' had the **second lowest proportion of 'good jobs', across all occupational categories at 33%**. Aligning the work of the Forum, with the DfE criteria above, creates the basis for transitioning all social care roles to permanent contracts, ensuring consistent work hours and guaranteeing adequate pay i.e. a minimum of the RLW, which is the focus of this justification document.

Role/ Purpose of this Report

- 1.27 The backdrop/ circumstances around the work of the Forum, in relation to progressing with the first step of implementation of the RLW, have evolved during the last year. Specifically, the Western Health and Social Care Trust (WHST) embarked on a re-procurement exercise to replace their existing contract for independent home (domiciliary) care provision in December 2024. The procurement exercise being managed by BSO PaLS relates to service delivery for the next six years (i.e. a 4-year initial contract period with provision for extension for a maximum of an additional 2 years). As is the case with all PaLS contracts, reference was made to adherence with Procurement Policy Notes (PPNs) – including PPN 01/21 – Scoring Social Value¹³. Paragraph 3.5 of this PPN states the following:

*New Decade New Approach (NDNA) commits the Executive to becoming a Living Wage Employer. The Living Wage is an estimate of the hourly wage that would provide a full-time worker with a reasonable standard of living calculated by the Living Wage Foundation³. **In line with NDNA, the payment of the Living Wage must be included as a condition of contract for all tenders from June 2022. Any additional costs arising from this condition should be built into business cases.***

- 1.28 This inclusion led to several queries from bidders to PaLS seeking clarity of the RLW commitments. In December 2024 PPN 01/21 – Scoring Social Value was superseded by **PPN 01/21 - Social Value in Procurement**¹⁴. The latter was approved by The Executive on 5 December 2024 and has been effective since 24 February 2025. This refreshed version of PPN 01/21 (at paragraph 4.5) **further underlines the commitment to the RLW** – per the text box below. This paragraph re-iterates that payment of the RLW must be included as a condition of contract for all works and

¹³ <https://datavis.nisra.gov.uk/economy-and-labour-market/good-jobs-northern-ireland-2024.html>

¹⁴ <https://www.finance-ni.gov.uk/sites/default/files/2024-12/PPN%2001%2021%20-%20Social%20Value%20in%20Procurement%20Word%20master.pdf>

¹⁵ <https://www.finance-ni.gov.uk/sites/default/files/2024-12/PPN%2001%2021%20-%20Social%20Value%20in%20Procurement%20Word%20master.pdf>

service tenders and should be built into business cases. It goes further again, by explicitly stating that the risk of cost increases to be able to pay the RLW, are the responsibility of the contracting authority and should not be passed to the contractor.

*The Executive is committed to being a Living Wage Employer. The Real Living Wage is an estimate of the hourly wage that would provide a full-time worker with a reasonable standard of living calculated by the Living Wage Foundation. The payment of the Real Living Wage must be included as a condition of contract for all works and service tenders. Costs arising from this condition must be built into business cases and **payment mechanisms must reflect that the risk of the cost increase (specifically for the Real Living Wage requirement) will remain with the contracting authority and should not be passed to the Contractor.***

- 1.29 In the context of social care services commissioned from independent sector providers by Health Trusts or the Department of Health, the implication of the above is that **it is the responsibility of the commissioning bodies - not the providers - to ensure that contract rates include sufficient 'headroom' to allow providers to pay the RLW** to social care workers (SCWs). Independent sector providers should not be expected to absorb these pay increases within existing rates.
- 1.30 These developments accelerated the commitment by the Health Minister to implement the RLW for social care workers.
- 1.31 On 10 December 2024, the Health Minister delivered a written statement to the Northern Ireland Assembly launching a three-year strategic plan for health and social care, based on the themes of Stabilisation, Reform, and Delivery¹⁵. This plan outlined a series of commitments across these three themes. Amongst these under the theme of 'stabilisation' was the ambition **to making the independent adult social care sector a Real Living Wage sector.**
- 1.32 In effect with the 'in principle' decision made to implement to RLW in adult social care, the Forum chose to consolidate their existing programme of work and evidence already captured to build the case for the RLW, behind this decision. Resulting in this justification document, that is intended to help reinforce the Ministerial direction on this matter. The Forum commissioned Ulster University supported by Morrow Gilchrist Associates (MGA) Ltd to draft this report on their behalf.

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<https://www.health-ni.gov.uk/sites/default/files/2024-12/doh-hsc-3-year-plan.pdf> (page 7)

2. Case for Change

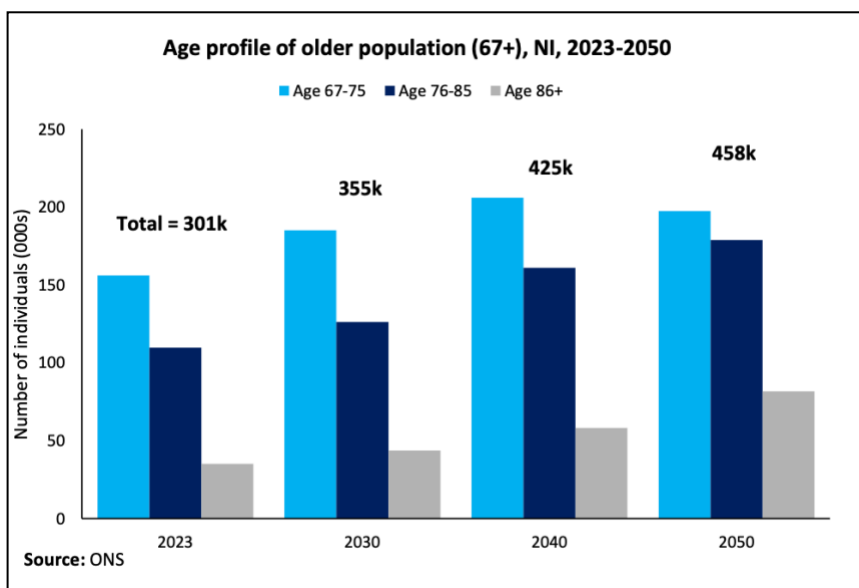
Introduction

2.1 This section of the report begins by outlining the key drivers of change currently impacting the adult social care workforce, drawing on a range of secondary sources, including relevant data and statistics, to illustrate the evolving dynamics of demand within the sector. It then presents the findings of primary research conducted by the Forum, based on two targeted surveys: the first capturing the views and experiences of social care workers, and the second gathering insights from employers operating within the independent social care sector. Together, these sources provide a comprehensive evidence base to inform and support the Forum’s ongoing work in advocating for improvements across the sector.

Drivers of Change

2.2 The first driver of change is the growing strain on adult social care services due to **NI’s ageing population**. Per the June 2025 NISCC Live Register report the employment focus of the largest proportion of social care worker registrants is services to older people (41.53%). This figure has increased by 11.5% since the time of the June 2024 NISCC Live Register report.

2.3 The report - *Ulster University NI Demographics 2050 – Implications for Public Policy and Infrastructure Investment (August 2024)*¹⁶ – sets out the projected population profile to 2050 and associated implications. The analysis indicates that there is **projected to be an over 50% increase in the older population (67+) by 2050**.



¹⁶ https://www.ulster.ac.uk/_data/assets/pdf_file/0010/1742275/NI-Demographic-Trends-to-2050-FINAL.pdf

- 2.4 Per the graph above replicated from the report the analysis projects that all the older age group categories are projected to grow strongly:
- 67-75 – projected to increase by 41k or 26% between 2023 and 2050, even considering a reduction in the 2040s.
 - 76-85 – strong projected growth of 69k or 63%.
 - 86+ – strongest growth in this oldest age group from 35k to 82k or 132%.
- 2.5 Additionally, the analysis projects that most of this increase occurs in the period to 2040 (124k of the increase occurs over the next 17 years with ‘only’ a 33k increase in the 10 years to 2050).
- 2.6 The report proceeds to set out the implications for healthcare infrastructure and Social Services as follows:
- **Elderly Care:** Significant investment in healthcare infrastructure and services tailored to the needs of an aging population will be essential. This may include expanding care facilities, integrating advanced healthcare technologies to improve quality and efficiency, increased training of healthcare professionals specialising in elder care, and increasing home care support.
 - **Preventive Health:** Promoting healthy lifestyles and preventive healthcare can help manage future healthcare costs and improve the quality of life for older people.
- 2.7 The analysis clearly underlines the **rapidly accelerating demand for social care workers providing services to older people**. The work of the Forum in progressing fair work practice, including the first foundational step of implementing the RLW, is critical to helping to build some stability in the sector as a basis from which to grow additional capacity.
- 2.8 There are links between an ageing population and the prevalence of dementia. The Alzheimer’s Society commissioned a series of reports from Carnall Farrar in 2024 – to highlight the growing public health and economic challenge posed by dementia. Within one of these reports – ‘The Annual Costs of Dementia’¹ – it is projected that **NI will experience the second largest regional increase (51%) in dementia prevalence, across the UK regions by 2040** - per the quote (below) and table replicated from the report (overleaf).

“...the number of the UK population with dementia will increase by 43% by 2040, with the biggest increases (51%) in Northern Ireland and London (53%)...”

- 2.9 These trends emphasise, the need for significant workforce expansion, in relation to social care for individuals living with dementia. Per the June 2025 NISCC Live

¹ <https://www.alzheimers.org.uk/sites/default/files/2024-05/the-annual-costs-of-dementia.pdf> (Page 33)

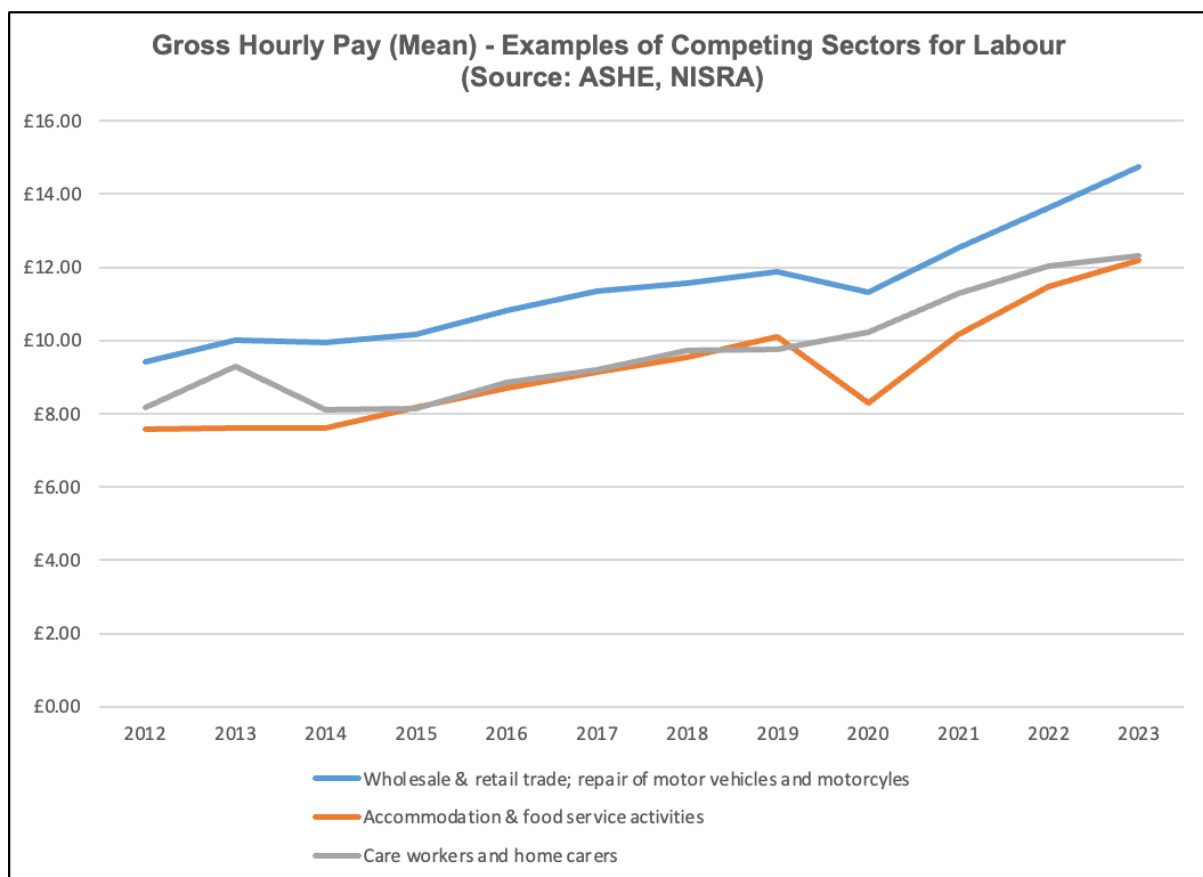
Register quarterly report the employment focus of c7% of the social care worker registrants was dementia/ EMI. Again, the work of the Forum in progressing fair work practice, including the first foundational step of implementing the RLW, will help to address growing demand and workforce retention. Alongside other measures – for instance the Alzheimer's Society¹⁷ is advocating for NI's HSC Trusts to mandate dementia training for adult social care staff by incorporating it into service contracts with care providers, ensuring the training aligns with the Dementia Learning and Development Framework.

UK dementia prevalence by region			
<i>Number of people with dementia</i>			
	2024	2040	% change 2024-2040
England	825,860	1,183,126	43%
South East	147,211	211,298	44%
North West	106,343	147,899	39%
South West	101,595	147,822	46%
East of England	100,287	142,201	42%
London	87,303	133,956	53%
West Midlands	87,189	121,286	39%
Yorkshire and The Humber	80,574	112,609	40%
East Midlands	74,300	108,687	46%
North East	41,059	57,367	40%
Scotland	79,789	111,493	40%
Wales	51,226	69,982	37%
Northern Ireland	24,700	37,409	51%
UK	981,575	1,402,010	43%

2.10 Another key driver of rising demand for adult social care is the **growing need for services supporting individuals with a learning disability**. According to the NISCC Live Register Report (June 2025), the second-largest group of social care workers (14.34%) are employed in services for adults with a learning disability, spanning all service areas. Notably, the number of workers in this area grew by 8.7% compared to the June 2024 NISCC Live Register Quarterly Report.

¹⁷ <https://www.alzheimers.org.uk/sites/default/files/2024-11/Why-dementia-training-matters.pdf>

- 2.11 To meet this growing demand, strategic planning and sustained investment in learning disability services are essential. Which includes ensuring a fairly paid, stable, and skilled workforce - without which high-quality and consistent care cannot be delivered. Which is where the work of the Forum can play a key role.
- 2.12 A final driver of change relates to **erosion of pay differentials between social care work and lower-paid sectors** such as retail and hospitality – evident in the graph below.



- 2.13 These trends are having serious consequences for recruitment and retention in the social care sector. As care roles become no better paid than less demanding jobs, fewer people are choosing to enter or stay in the sector. Leading to high staff turnover, unfilled vacancies, and increased reliance on costly agency workers, all which strain service delivery and impact on quality of care. The findings of both surveys – i.e. the Social Care Worker Survey and Employer Survey (detailed below) case strongly evidence these risks.

Primary Research Evidence from FWF SCW Survey

Introduction

2.14 To inform their work, the Forum implemented a survey with registered social care workers (SCWs) in the independent sector - who are the target audience for the RLW intervention as those delivering front-line care through commissioned services. The survey was implemented in Autumn 2024, via the NISCC with the report by them summarising the findings shared at the Forum meeting in December 2024.

2.15 This survey exercise elicited responses across four key areas:

- Section 1: Rates of pay, contracts and working hours
- Section 2: Travel and additional work-related costs
- Section 3: Impact of the cost of living (and future intentions)
- Section 4: Respondent age, gender, location in NI and social care experience

Response Rate and Profile of Respondents

2.16 The survey report (attached at Appendix A) is based on responses received from 1,313 social care workers (4.47% response rate). Responses broadly reflected the demographic profile of the social care workforce i.e. age, gender, job role, work location as recorded on the NISCC Register at the time. Specifically:-

- There was a slightly higher proportion of private sector responses (67%) when compared to the number of registrants by sector on the NISCC register.
- The largest proportion of respondents, 67%, reported they were employed in the assistant/care worker. 17% reported as Domiciliary Care / Home Care Worker, 15% as Supported Living Worker and 11% as Adult Residential Care/Care Home Worker. These broadly reflect the make-up of job roles on the NISCC register.
- The largest proportion (61%) of respondents reported they worked with older people aged 65+.
- 78% of respondents were female and 21% male (1% preferred not to say)
- 207 respondents (15.7%) indicated they were migrant workers. 135 of those who identified as migrant workers were employed with a sponsorship visa.

Summary of responses on rates of pay, contracts and working hours

- 2.17 The main headline findings in terms of contracts and working hours were as follows:
- 94% of respondents confirmed they had a written copy of their employment contract.
 - 74% reported they have a permanent contract of employment
 - In terms of working hours 62% reported they normally worked more than 35 hours per week
 - 78% reported they had guaranteed weekly hours of work from their employer.
 - 32% of respondents indicated that they worked 'on-call' i.e. were expected to be available for work on specified periods outside of their regular hours. 63% of 'on-call' workers are paid only for the time they called into work, regardless of how long they are on call.
- 2.18 Turning to rates of pay all respondents indicated an hourly rate at least equal to the National Minimum Wage (NMW) for their age. At the time of the survey for those aged 21 and over the rate was £11.44 – a figure which was introduced on 1 April 2024, and which is known as the National Living Wage (NLW). The NLW is the highest rate of the NMW and applies to workers aged 21 and over, while the NMW has lower rates for younger workers and apprentices. The NLW and NMW are the statutory minimum hourly pay rates set by the government, and both must be paid to eligible workers by law. These findings are important, in evidencing that all employers (of the SCWs who responded to the survey) were meeting their statutory duty to pay minimum hourly rates set by the Government.
- 2.19 Over half (54%) of respondents reported they are paid equal to, or greater than, the Real Living Wage – i.e. the 2023 rate of £12.00. As the survey was launched on the 16th September 2024, this was the applicable RLW rate included in the survey. After this (on October 23rd, 2024) the Living Wage Foundation announced that the RLW would increase to £12.60 per hour across the UK - with accredited employers having until May 2025 to implement the same. It cannot be assumed that this figure of 54% would hold for the higher rate of £12.60 introduced after the timing of the SCW survey – as the survey with employers in the independent sector – detailed in this report - that was conducted at a later point in time evidences.
- 2.20 In other jurisdictions, governments have recognised the **importance of ensuring that providers already paying the RLW are not disadvantaged**. As outlined in Section 3.2 of the analysis on the RLW intervention for Social Care Workers (SCWs) in Wales, the annual uplift from the National Living Wage to the RLW is made available to all providers delivering commissioned services. It applies to all registered SCWs, regardless of whether their employer was already paying the RLW—either fully or partially—prior to the scheme's introduction in 2022.
- 2.21 As shown in the findings from the Forum's Employer Survey (see Section 2.4), only a minority of providers reported being able to pay the RLW (either now or in the

past). Among those that did, some were drawing on financial reserves to do so, while others found it increasingly difficult to keep pace with RLW increases. Additional operational cost pressures (heat, light insurance and IT and rising national insurance contributions announced in the Autumn Budget 2024) also made paying the RLW increasingly unviable.

2.22 These findings highlight the importance of designing the intervention in NI in a way that does not disadvantage providers who have already committed to paying the RLW—or who made efforts to do so in the past. **A fair and inclusive funding approach is essential** to ensure the sustainability of these providers and the long-term success of the RLW policy.

Summary of responses on travel and additional work-related costs

2.23 Responses were less consistent in relation to payment rates for additional duties or responsibilities such as 'on-call', driving, or travel between clients. Key points were as follows:-

- 43% are required to travel between clients to deliver services (of these 26% are paid for all the time required, 5% are paid a lower rate for travel time, 69% are only paid for the time when they are working with clients)
- 56% of those who reported they are required to travel between clients to deliver services stated they are required to drive/have access to a car – 93% of these drivers provide their own vehicle.
- 40% of those who used their vehicle for work indicated their employer reimbursed them for travel related costs. 90% of those required to drive for work do not receive a higher rate for driving/transporting colleagues and 84% of respondents reported they were expected to pay for additional costs associated with fulfilling their social care role such as uniform, training, registration, Access NI checks:
- The costs incurred by most social care workers are NISCC registration fee (81%) and criminal records check (39%).
- 4% reported they paid for their mandatory training.
- 47% of respondents said they were absent from work due to sickness in the last 12 months. 25% of those who were absent from work due to sickness received full pay and 40% received statutory sick pay. Also 33% of those who were absent from work due to sickness received no pay.

Summary of responses on the impact of the cost of living (and future intentions)

2.24 The impact of the cost of living in relation to earnings was reported by 51% of respondents who said they are worse off financially compared to 12 months ago. To top up their income, 37% rely on overtime, 25% have a second job, 15% have unsociable hours payments and 8% receive social security benefits. To meet rising

costs of living, 48% of respondents have borrowed money to pay essential bills such as heat, light etc. and 16% have relied on foodbanks/charities for support.

2.25 SCWs were asked to comment on their thoughts in relation to their future and which supports they valued the most. In this respect the headline findings were:

- 70% of respondents had considered leaving their current job in the last year and 65% had considered leaving the sector completely.
- Factors causing social care workers to consider leaving included low rate of pay (55%), feeling burnt out (40%), work related stress (32%), unsociable hours (21%), lack of promotion or career opportunities (21%).
- Supports that social care workers value the most are team support (55%), manager support (52%) and training (53%).

2.26 There were over 300 additional comments provided in relation to this part of the survey – a sample of which are included below. These were in the context of respondents who indicated that they had considered leaving their current role (and for some the social care sector).

"For a contracted post. Higher wage elsewhere. The pay does not reflect the work that is required of a care assistant. Not guaranteed hours each week. I have considered moving to retail to have a permanent contract. We must work 50 hours plus to get a decent wage when some supermarkets are paying up to 14 pounds per hour and you don't need to use your car"

"I work hard for my employer. I am a senior community care worker and my role demands a lot of hours. My duties include working on the runs, setting up new packages, monitoring clients and care-workers, taking weekend on call phones, mentoring new care-workers. My work/life balance is not good. I have very little time for rest"

"There are young people, students mainly, who work part-time in Tesco and are on £12.50 per hour plus they get 20% off their weekly shopping. I would therefore be better off working behind the cigarette kiosk or on the check-outs in Tesco, than in my current job. I have a Master's degree in Health Psychology and years of training and experience in Mental Health, Addictions, Adult Safeguarding, etc. and have a lot of responsibility when caring for vulnerable adults, yet I receive less pay than young people in their first casual jobs. Furthermore, many of the people I care for receive more in benefits per month than I receive in my wages, and that's before taking into consideration my work expenses (for example, it costs me £200 per month in petrol just to get to work and back)"

"The prevailing racial abuse and vulnerability of migrant workers to legal issues. Apart from, that the work is so demanding and if you get sick no one cares about you. No compensation incentives for work related illness despite being vulnerability to a lot of diseases"

"After tax I'm payed £9.16 per hour (£11.44 standard rate), responsible for service users personal care, social lives, grocery shopping and other living essentials that they are unable to do for themselves, as well as administering, updating and ordering their medications. As well as maintaining a good rapport, high level of work ethic, attention to detail, professionalism, and ability to adapt to change constantly, this is simply not good enough"

"Getting only SSP when off sick is unfair as the stress/pressure of the work can be tough at times and I work really hard doing the job. Also, there is no great pension at the end of it and no health benefits even though I am looking after the health and welfare of people. There are no incentives to keep me in this role unfortunately except that I love doing what I do"

"Pressure of runs and merged runs which include too many calls back to back with no driving time allowed in between therefore, due to this service users do not receive their care plan time as it is just a total rush job from start to finish trying to cover all the calls and fit in driving time as well, this also takes time away from the service users that could be spent with them..... these working conditions are long overdue needing attention and serious improvement for the health and safety of carers - otherwise, they will continue to leave the sector"

"The work required from us, administration of medication as well as other responsibilities, the pay should be more than we currently get. We are nurses for a lot of service users, without the medical side such as blood work, injections. But other aspects we do exactly the same as nurses and should be reflected in our wages. There should also be a way to internally progress in our job"

Closing comments from survey respondents

2.27 The survey concluded with an open-ended comment box, inviting respondents to make closing comments – a sample of which are included overleaf.

"Health and Social Care work is constantly undervalued and underpaid. I hope this survey actually makes some change rather than just a tick box exercise!"

"Care assistants are overworked and underpaid. Starting work at 6.30am and not getting home most days till after 10pm, sometimes with no breaks if there's a lot of clients on that day! I have had mental breakdowns, physical pain and struggle most days with lack of sleep! I love working in care but we do not get enough support or pay for the work we do"

"I very much enjoy working in the Health and Social Care sector. But when you are working over 60 hours a week you have no life, can barely see relatives or friends, don't get any extra rates of pay for working all 4 shifts (morning, lunch, tea and beds) Don't get any extra for working on the weekends, don't get any extra over time after you had worked 40 hours. The hours are not very sociable. no matter how much u love the job, I am burnt out and completely shattered"

"My background was in nursing, took early retirement few years ago but decided to go back into the workforce. I enjoy meeting the service users and families, majority of whom are lovely and appreciate what we do. It's this and support from colleagues that keep me working"

"I feel working in health and social care is a very important and rewarding role. However, until the pay discrepancies are addressed we will continue to hemorrhage good people because the pay package makes them feel unappreciated and they frequently have to work too many hours just to make ends meet. This needs to change to encourage more people into the sector in order to support the people who need our services"

"I have found that residential care homes are fast turning into nursing homes without the nursing staff nor equipment leaving the care staff in a very vulnerable position. This makes for a very unhealthy work environment where staff feel they are under pressure and at risk"

"I have a strong connection with my clients and treat them like my own family. Some of these clients don't see anyone apart from us all day - something needs to be done to make it worth our while to carry on"

"I thought I'd finally found a career path where my skill set could thrive, constantly praised by management and staff about how well I've taken to my role as a support worker, but that is the height of the reward. It is absolutely heartbreaking knowing that I have no choice but to leave my job if I want to make a life for myself, but unfortunately that seems to be the case".

"Find it sad that after 30+ years in the caring field and being trained as an NVQ assessor and working in an advanced carer position someone starting off as a customer service worker in a supermarket is better paid and has more staff benefits than I currently do"

"Social care workers were amongst those vital workers who continued to serve during covid, yet we are the most ignored, underpaid and unacknowledged workers by the government. It is totally unacceptable that the vast majority of us earn less money, working full-time, than the benefits paid to the people we support. Furthermore, we do not receive any of the one-off cost of living payments or help with rent and rates bills. This leaves us considerably worse off than those who don't work. This has to change"

"I love my job in supported living and love learning disability. However, I feel very undervalued in the job and believe the social care sector has been totally forgotten about in favour of the NHS. I have friends who work in retail who are paid more than me for a much easier job with no responsibility. It's a disgrace"

"I love working with older people, it's a passion. Although I live in a world that takes money to be able to live, currently the pay and mileage does not take into effect these costs and it seems am out more money than I bring in. We work with the most vulnerable in the community and the need is becoming more and more increased daily. With more staff leaving the field of social care, more carers on the ground are becoming increasingly stressed and burnt out, with no value for the work we do ensuring people are safe in their homes and receiving the best care"

"I have a master's degree in psychology, and years of experience in working with clients with a wide range of mental and physical health problems, but I would be paid more if I worked in the cigarette kiosk at Tesco selling tobacco and lottery tickets. This is unacceptable."

Primary Research Evidence from FWF SC Employer Survey

Introduction

2.28 The Forum initiated a survey exercise with employers in the independent care sector, which was open from 2 December 2024 to 16 January 2025. To reflect the different service structure and operating environment between residential and community-based services, two surveys were developed - one for domiciliary care and one for all other social care service providers. The survey invites were emailed directly to approximately 500 people listed as main registration contacts for non-statutory sector employers of social care registrants (drawn from RQIA and NISCC register data). The survey was also promoted to members and networks through Fair Work Forum Members, IHCP, UKHCA, Social Care Collaborative Forum and the Leaders in Social Care Partnership. All co-ordinated through the NISCC. The paragraphs below summarise the key findings as drafted by the NISCC.

Survey responses received

2.29 The response rate across the two surveys was as follows:

- Domiciliary Care Survey - 22 responses were received. This represents 18% of non-statutory domiciliary care organisations (n=121). 77% of respondents were from the private sector and 23% were from voluntary/charitable/community sector.
- Social Care Survey (all other services) - 33 responses received. This represents 13% of non-statutory social care organisations (n=262). 58% of respondents to the social care survey were asked to indicate the main type services they provided. Responses reflected a range of services as shown in the table below.

Main service types	Total	% of responses
Adult Residential Care/Care Home	23	69.70%
Day Care	8	24.24%
Supported Living	9	27.27%
Day Opportunities	5	15.15%
Residential Child Care/Children's Social Care	2	6.06%
Youth Services	1	3.03%
Other: Agency, Dementia supported living and floating support services, and Dementia services/Floating support/Respite	3	9.09%

2.30 Organisations who responded to the survey indicated that their combined social care workforce numbers ranged from 10k -14k staff in full time equivalents¹⁸. These numbers represent at least 50% of the 29.5k social care workers registered within non-statutory sector employment. In this respect **the views of these employers relate to significant coverage across the independent social care workforce.** From a geographic perspective respondents provided services across all parts of NI, with the majority indicating that they operated in rural and urban areas.

2.31 Responses across the key themes and associated open-ended comments associated with each theme are summarised below.

Real Living Wage – Summary of Responses.

2.32 Most **employers (73% of domiciliary care respondents and 88% of social care respondents) reported they do not pay the Real Living Wage.** Comments in subsequent question indicate they would like to recognise staff with an increased hourly rate but this is not possible within the current funding allocated for care packages from HSC Trusts.

¹⁸ It is estimated that at least 40% of the workforce are part-time workers

Domiciliary Care Services Real Living Wage Paid			Social Care Services Real Living Wage Paid		
Option	Total	Percent	Option	Total	Percent
YES	6	27.27%	YES	4	12.12%
NO	16	72.73%	NO	29	87.88%

2.33 Responses to both surveys reported funding as the main barrier to paying the Real Living Wage. The increase in National Insurance due in Spring 2025 was referenced in both surveys. The domiciliary care employer responses also comment on costs of travel between care visits, as a barrier.

"Rates being paid in the contracts are already too low to cover minimum wage and associated costs. we got no lift in rates despite the rises in cost of living. The spikes in electricity and gas costs have been unprecedented for us. yet the commissioners have done little to compensate. A residential facility can't cut back on heating or turn off the lights when we provide 24-hour care"

"The funding rates do not allow for paying enhanced basic rates. It doesn't even cover travel/time spent in traffic. No support for time spent with a client when they need medical attention".

"There is not enough in the current contracts to cover add on costs without increasing basic rates of pay to meet living wage. We would like to offer it.....[the RLW]..... but that's not possible. We do pay travel time - especially for our more remote routes"

"The current rate paid in NI is the lowest in the UK, this makes it impossible due to the lack of funding to pay Real Living Wage".

"We were the first homecare company in Northern Ireland to introduce real living wage back in 2020. We had to withdraw membership in 2024 due to the increase in real living wage rates and the lack of an increase from Department of Health to match"

Staff Turnover - Summary of Responses

2.34 Two-thirds (64%) of domiciliary care organisations and 42% of social care organisations reported an increase in staff turnover rates in the last 12 months. Proactive recruitment activity both locally and overseas is being used to address staff turnover. Some however reported that changes to processes and rules for recruiting overseas workers had impacted on this option.

"There are typically fewer opportunities for career advancement, leaving workers feeling stuck in entry-level roles without clear pathways for growth. Commissioners are expecting more from carers whilst at the same time reducing time allocated. i.e. 15mins for quite complex tasks such as distribution of medication that is not in dosette boxes. Carers have a physically and emotionally demanding job, with high levels of responsibility. Staff shortages and sickness exacerbate workloads, leading to burnout and dissatisfaction [impacting on turnover levels...] Dealing with vulnerable clients in sometimes challenging circumstances can add emotional strain with little support from commissioners"

"We have reported recruitment/retention pressures for a number of years but while pay rates etc are so low, nothing will change".

"In 2023, overall turnover sat at around 18% and 2024 remains around the same"

"Domiciliary care workers are paid at just above the minimum wage despite the demanding nature of their work. Travel time between clients is not reflective in the Trust rotas especially in rural areas. This is reducing effective hourly earnings. Reimbursement for expenses like fuel costs only cover the mileage used, this in turns adds a financial strain, especially in rural areas as the roads and lanes are in such poor condition".

Agency Workers - Summary of Responses

2.35 18% of domiciliary care organisations reported using agency workers, which accounted for 0.01%-10% of labour costs. 76% of social care employers reported using agency workers, with a % spend ranging from 0/01%-30% of labour costs. Organisations have created their own bank staff arrangements and opportunities for previous employees to return to work on a casual basis.

"As a charity we simply could not afford to pay agency staff, the rate provided by the commissioners is insufficient to pay our employed staff never mind the enhanced rate charged by an agency. We are also find that we are losing staff to agencies because they can pick and choose what work they want to do and are being paid a higher rate. Normally you would feel this would not give job security but there appears to be plenty of work available through the agency - unsure how others are affording to pay agency fees"

"The organisation has faced significant financial strain due to the increased cost of relying on agency staff in recent years. To address persistent vacancies, we have had no choice but to engage agency workers. However, we recognise that continuing

this approach would lead to an unsustainable financial position. In response, we have asked our staff and managers to go above and beyond by covering additional shifts to reduce our reliance on agency staff. This has allowed us to reallocate some of the resources previously spent on agencies to provide a modest pay increase in an effort to make our roles more attractive"

"While we have successfully reduced our dependency on agency staff, this has come at a cost. The progress made has only been possible due to staff working hours far beyond their contracted commitments. This is not a sustainable solution, and we must seek long-term measures to ensure financial stability while protecting the wellbeing of our workforce"

"Agency usage has increased in the last 12 months. In addition to this, the cost of engaging agency staff is rising disproportionality. There is a further risk that agency staff, no matter how dedicated and committed they are, will not have the same level of knowledge and experience as core staff. This can lead to a diminution of quality of service regardless of the attention paid to training and induction"

Migrant Workers and sponsorship programmes - Summary of Responses

2.36 Over 70% (73%) of domiciliary care organisations and 75% of social care organisations reported they employ migrant workers i.e. non-UK nationals who are from outside the UK and Ireland. Feedback noted that the sponsorship programme can be slow and expensive and that difficulties with the government regulations have restricted organisations from deploying this option more.

"There are fewer EU applicants. We have had family members of migrant healthcare workers from outside the EU applying, only 1 applicant successfully passed the interview process. The home office fees are extortionate and are a stealth tax. Migrant workers are essential to fill the gaps in the sector and this route has been unofficially closed or reduced, meaning staffing levels will start to reduce yet again"

"We are heavily reliant on overseas workers, more so in the last 12 months than before. There are no patterns in terms of Nationality, we have recruits from the Philippines, India, African Nations and Guyana"

"There is a big increase in migrant staff applying for posts and very few local staff. Local people very rarely apply for jobs in my nursing homes and if they do apply, they fail to turn up for interview. Without the ability to employ migrant workers all three of my nursing homes would have closed in 2020/2021"

"The changes to immigration and sponsorship have hugely impacted our ability to recruit and retain the international workforce we have become so reliant on"

"We don't know enough about sponsorship. May consider it if there was more government support. Seems very complicated and it is a big responsibility. Also looks expensive"

"We do all the above..[by way of supports]...., additionally we provide 12 weeks free accommodation for new international workers."

"The migrant workers I bring to the UK are well supported by me personally and my staff, many of whom are migrant workers themselves, or now have citizenship so they can offer the best support and advice based on their experience. Often the migrant worker is referred to the business by someone who already works in the home and therefore already have a support network in the UK"

Recruitment Pressures and Vacancy Rates - Summary of Responses

2.37 Almost 70% (68%) of domiciliary care organisations and 64% of social care organisations reported **recruitment pressure increases in-year**. Rural recruitment was noted as marginally more pressured than urban for both survey groups.

2.38 Overall, 86% of domiciliary care organisations and 94% of social care organisations reported social care vacancies. Both survey groups reported **significant vacancy rates**.

- 52% of social care organisations and 45% of domiciliary care organisations reported up to 10% of social care roles as vacant.
- Both survey groups had approximately one third of organisations reporting vacancies of 10-19%.
- Two domiciliary care organisations each reported vacancy rates of 20-29% and 30-39%.

"We have many vacancies that remain unfilled for long periods due to a lack of qualified or interested candidates. Despite active recruitment efforts and high cost to recruitment outlets, the pool of applicants is often small, leading to high competition among agencies for the available candidates. Pay and Condition in care roles are not perceived to be attributable compared to the demands of the job, making it harder to attract workers"

"In rural areas, recruitment is particularly difficult due to the dispersed population and the financial burden of travel for staff. Payment for mileage is frequently raised as a concern by potential and existing employees, with many citing that current arrangements do not adequately cover the costs of commuting to support people in

remote locations. This creates a significant barrier to attracting and retaining staff in these areas”.

“In urban locations, the primary challenge is competition with other employers. Social care staff in these areas often compare our terms and conditions—such as pay rates, annual leave, and pension contributions—to those offered by other organisations, including the Trust and private sector employers. This comparison frequently disadvantages us, making it harder to recruit and retain employees. Rural areas such as Fermanagh and other areas west of the Bann are particularly difficult to recruit staff in. In border areas such as Newry & Derry / Londonderry, we often lose staff to more competitive offers across the border”

Pressures of Workforce Shortages – Summary of Responses

2.39 The two surveys included a series of statements that invited respondents to agree/disagree with several statements relating to the impact of pressure of workforce shortages in the last 12 months as below:

- We have sufficient numbers of registered social care staff to meet all our service commitments
- We have been able to increase our business activity in the last 12 months (number of service hours delivered)
- We have reduced our business activity in the last 12 months (number of service hours delivered)
- Shortages of registered social care staff require us to ask staff to work overtime
- Shortages of registered social care staff require us to ask staff to cancel leave
- Shortages of registered social care staff require us to engage agency workers
- Shortages of registered social care staff require us to cancel staff training

2.40 The responses to these statements are summarised in the table below:

In the last 12 months – 64% of domiciliary care employer respondents did not have sufficient staff numbers to meet service commitments	In the last 12 months – 73% of social care employer respondents did not have sufficient staff numbers to meet service commitments
77% could not increase their business activity	77% could not increase their business activity
32% had reduced their business activity	36% reduced their business activity
86% were required to ask staff to work overtime	94% were required to ask staff to work overtime
59% were required to ask staff to cancel leave	70% were required to ask staff to cancel leave
18% were required to engage agency workers	73% were required to engage agency workers
55% were required to cancel staff training	73% were required to cancel staff training
N/A	45% of social care organisations had to increase 'top-up' fees payable by service users/ their families to cover running costs

"We are unable to open 15 beds as not adequate staff. This issue is longstanding x 3 years. We have to pre-book agency to cover night staff annual leave"

"Due to our service providing care for adults with a learning disability, we do not charge top ups. This means that we have to 100% rely on the tariff rate set by the government. This leaves us at a huge disadvantage compared to those care homes that can charge top up rates"

"Workforce availability has had a profound impact on our organisation over the past 12 months, affecting both service delivery and staff wellbeing..... due to workforce shortages, we have had to limit the number of new referrals we can accept. This means individuals and families in need of support face longer waiting times or are unable to access services at all"

"We have a 20 bedded dementia unit that was newly opened in July but we are only operating at 10 beds due to staffing. We have reduced our activities and services due to staffing and zero recruitment response"

Costs of Service Delivery – Summary of Responses

- 2.41 The two survey groups both reported labour costs for registered social care workers as their greatest proportion of spend. 73% of domiciliary care organisations and 88% of social care organisations reported that more than 50% of labour costs spent directly on registered social care workers. Several organisations estimated that as much as 70-80% of costs are allocated to front line care staff.
- 2.42 Respondents reported approximately one third of budget is spent on non-labour costs such as insurance, utilities, travel and maintenance. Comments noted a growth in costs related to IT equipment, administrators and management to maintain required record keeping and systems management. Increases to National Insurance costs in April 2025 were estimated to increase staff costs by 5-10% for most organisations but was dependent on staff working patterns and earnings levels. All these factors are **adding to the cost pressures of being an employer in the independent social care sector.**

"Many of our respite budgets are generating significant deficit as they are historical contracts that do not cover all costs including utilities. Currently 90% of our short breaks income covers staff costs leaving 10% for other costs"

"If these costs [..the increased National Insurance costs from April 2025] , together with the increase in National Minimum Wage are not covered in full by a revised rate from our commissioners we simply will not be able to afford our wage bill never mind the day-to-day costs of running a business"

"The reason we have such low increases in utilities, maintenance and rates/rent etc. against last year is because we have closed 2 regional offices this year and have moved to smaller premises in an attempt to survive"

"These cost pressures compound the financial strain already facing our organisation due to rising labour costs. Unlike discretionary spending, many of these non-labour costs cannot be reduced. For example, upgrades to our IT systems required significant upfront costs for hardware, software, and staff training. While these improvements are essential for operational efficiency, the financial impact has will be challenging to absorb within our existing budgets"

Supports for staff recruitment, induction and retention – Summary of Responses

2.43 Feedback from respondents on the interventions/supports which would be most useful to them in recruiting, retaining and developing registered social care workers for their organisation are as follows – top 5 in rank order:

1. **Funded changes to commissioning arrangements** to facilitate providers to pay the Real Living Wage and related on costs
2. Review of times allocated to deliver home-based/ domiciliary care services
3. Grants/financial support for staff training courses/backfill for staff whilst on training
4. Apprenticeship and trainee schemes to support new entrants
5. The development of a career framework (that would provide visibility on clear progression route(s) for those thinking of joining, or already in, the sector)

2.44 A sample of the comments made in respect of the above are below:

"An increase in the rate provided is crucial. We also require staff to be trained beyond the bare minimum but the cost of this is often prohibitive in terms of cost of courses, the ability to pay staff for additional training, the ability to release staff for training and the cost of backfill which is often at an enhanced rate. Recruiting, retaining, and developing registered social care workers can be challenging but critical for maintaining high-quality care standards".

"Whilst people enter the social care workforce due to a sound value base and want to change people's lives, the terms and conditions for front line staff remain

too low. Uplifts in the public sector compound this problem and create unequal platforms and migration of staff to HSCTs”.

“Increasing the professionalism of the care worker role is having the opposite effect of what is intended. Unless we are assisted into a position where we can significantly increase wages, staff will continue to choose roles where there are no professional accountabilities (Tesco, Lidl etc). Our experience is that whilst some staff appreciate the push towards greater recognition and the accountability which accompanies this, we are also finding that this is pushing staff out of the industry due to the accompanying low wages”

“Regular benchmarking [is needed] to ensure pay scales are competitive within the local and national market. Subsidies for transportation, childcare, or meals to alleviate financial pressures. Clearly defined progression routes, such as opportunities to advance to senior care roles or management positions. Subsidized in-house training in areas like dementia care, palliative care, or advanced clinical skills to enhance job satisfaction and expertise”.

Final Comments

- 2.45 Employers completing the surveys were asked if they had any final comments to make in submitting the survey. Two examples of such comments are included below. They provide a fitting conclusion to this section of the report by underlining, the importance of the work of the Forum in advocating for an uplift in the commissioned services in the adult social care sector to facilitate payment of the RLW.

“We would like to extend our thanks for the efforts being undertaken to develop the case for change. This work is crucial to ensuring the sustainability of the voluntary sector in delivering services on behalf of the Trusts. Our goal is to continue supporting the Trusts by increasing the number of support hours we can provide, ultimately helping to alleviate pressure on other areas of the health and social care system”

“We remain fully committed to working in partnership with the Fair Work Forum to drive meaningful change for our staff. By improving terms and conditions, we can strengthen the workforce and, in turn, enhance service provision across the sector. Thank you again for leading this vital initiative”

3. Benchmarking

Introduction

- 3.1 Ensuring fair and sustainable pay for SCWs is a pressing policy priority, particularly within the wider context of advancing Fair Work principles. Accordingly, other devolved governments in the UK – i.e. Wales and Scotland – have established structures like the Forum, that have actively developed mechanisms to embed Fair Work and the Real Living Wage in social care. Benchmarking of these is very valuable in terms of practical insights and policy lessons for the NI context.
- 3.2 System-wide change to embed Fair Work principles in England’s social care system remains at an early stage. The Labour government has established an independent commission, chaired by Baroness Louise Casey, to review the organisation and funding of adult social care, with medium-term recommendations expected by 2026 and broader reforms—including the creation of a National Care Service—planned for 2028. As part of its commitments, the government has pledged to introduce a sector-wide Fair Pay Agreement for social care workers to improve wages, job security, and working conditions. While transformative change is likely to follow the commission’s timeline, this benchmarking analysis draws on existing research and policy studies relevant to the English context, recognising that meaningful reform may still be some way off.
- 3.3 Finally, this section of the report draws on research published by the Nuffield Foundation which looked at lessons from international approaches to reforming pay for SCWs and distilled out some key principles that are useful as a reference framework for the NI context.

Wales

Background

- 3.4 The Social Care Fair Work Forum in Wales was established in September 2020. It is a tripartite social partnership group which includes government, trade unions, and provider representatives¹⁹. The remit of the Social Care Fair Work Forum initially focused primarily on social care workers in the independent sector in the first instance, but its considerations will also extend into the public sector. The structure of the Social Care Fair Work Forum has evolved more recently to also include

¹⁹ Association of Directors of Social Services Cymru; Care Forum Wales; GMB; National Provider Forum; Royal College of Nursing; Social Care Wales; Wales Trades Union Congress; Unison; Welsh Government and Welsh Local Government Association

supporting Task and Finish groups to progress the main elements of the key work programmes.

- 3.5 In response to the Programme for Government (PfG) commitment to 'pay social care workers the Real Living Wage' Welsh Government Ministers tasked the Social Care Fair Work Forum to focus on arrangements for implementation of the RLW.
- 3.6 Discussions with Welsh Government officials indicate that the primary rationale for **committing to the RLW in social care was the increasing pressure on recruitment and retention**, particularly in domiciliary care - a situation significantly worsened by the COVID-19 pandemic. These workforce challenges contributed to wider system impacts, including delayed transfers of care from hospital, increased reliance on unpaid carers, a reduction in the number of people able to receive care at home, and mounting pressure on care homes. Addressing low pay was therefore seen as a critical intervention to stabilise the workforce and support the sustainability of care provision.
- 3.7 Feedback from the sector, supported by consistent research findings, identified low pay and poor working conditions as the primary challenges facing social care employers. The decision to adopt the RLW rather than applying an arbitrary pay uplift, was welcomed by social partners. This was largely due to the RLW's basis in a respected, independent methodology—the Minimum Income Standard—which reflects the actual cost of living and is widely regarded as a credible benchmark for fair pay.
- 3.8 Most employers (over 80%) in the social care sector in Wales are in the private or third sector – underscoring, as is the case in NI, the critical importance of independent sector provision. The balance of social care workers are employed by local authorities in Wales.
- 3.9 The implementation of the RLW was seen as a significant and positive first step towards improving terms and conditions for the social care workforce, and as a key lever in advancing the Welsh Government's broader Fair Work policy agenda. The implementation of the RLW started in 2022-23 and has now moved into its fourth year. However, it was recognised from the outset that introducing the RLW alone would not be sufficient to fully address the ongoing challenges of recruitment and retention within the sector. Like the Forum in NI the RLW is only one area of focus to advance the policy agenda around Fair Work. Other areas of focus include:
 - Work on contract security and flexibility (and related to this engaging with the UK Government on the draft Employment Rights Bill)
 - Developing a pay and progression framework for the entire sector (defining roles, job bands, competencies, pay levels) to ensure consistency.

- A focus on employee rights, voice and representation – through a worker voice Task and Finish group to raise awareness amongst staff and employers in the independent sector of the benefits of trade union membership.
- Equality, diversity and inclusion through the work of a Task and Finish group established to consider how the forum can best consider EDI issues as an integral element of fair work characteristics. The group convenes to discuss progress and updates on items such as the Anti-Racist Wales Action Plan (ArWAP), the LGBTQ+ Action Plan and disabilities.

Scope and Coverage

3.10 The following insights were drawn from engagement with the Welsh Government regarding the scope and design of the Real Living Wage (RLW) uplift policy in Wales:

- **Clear and Well-Defined Eligibility Criteria:** The RLW uplift in Wales is specifically targeted at registered Social Care Workers (SCWs). This focus reflects a strategic decision to link the uplift with workforce registration, which is seen as vital for enhancing public confidence in the social care sector. Registration also supports greater consistency in workforce standards and skills development. The register of SCWs is maintained by Social Care Wales.
- **Inclusion of Direct Payment Personal Assistants (PAs):** The policy also includes Personal Assistants employed through Direct Payments, recognising that their roles often closely mirror those of domiciliary care workers. Their inclusion was seen as critical to maintaining the attractiveness of PA roles and supporting service user choice. Ensuring parity between PAs and domiciliary care workers helps prevent recruitment challenges in PA roles and supports continuity of care for individuals who opt to manage their own care arrangements.

Costing

3.11 The commitment to fund the Real Living Wage (RLW) uplift in Wales is focused on bridging the gap between the National Living Wage (NLW) and the RLW. Since employers are already responsible for paying at least the NLW to Social Care Workers (SCWs), the Welsh Government's intervention is designed to fund the difference between the two rates.

3.12 This intervention operates on a **rolling annual commitment**, with funding requirements recalculated each year to reflect both changes in the NLW-RLW differential and the scale and profile of the registered social care workforce in Wales.

3.13 In the first year of implementation (2022–23), the cost of delivering the RLW uplift was £43.2 million. In the second year, this rose to approximately £70 million, primarily due to an increase in the RLW rate from the previous year.

3.14 Costings for the intervention were based on a 'big-bang' simultaneous rollout across Wales. This approach was chosen to avoid the risks and challenges associated with a geographically phased implementation, particularly with respect to fairness and equity for eligible SCWs.

Funding Mechanism and Commissioning Context

3.15 At the time of implementation, there were varying approaches to commissioning care and support across Wales. Following detailed advice and recommendations from the Social Care Fair Work Forum (the Forum), it was agreed that funding from the Welsh Government for the Real Living Wage (RLW) uplift would be included in local authorities' annual settlement via the Revenue Support Grant (RSG). This approach enabled local authorities to apply an uplift to commissioning fees to support providers in paying the RLW.

3.16 On 1 September 2024, the National Framework for the Commissioning of Care and Support in Wales²⁰ came into effect. The framework sets out seven guiding principles for achieving a sustainable social care system, underpinned by fair work and fair pricing. It also includes specific guidance on the implementation of the RLW and promotes adherence to fair work principles. Providers employing eligible Social Care Workers (SCWs) are actively encouraged to sign up to these principles, reinforcing the sector's commitment to fair and ethical employment.

3.17 The **national framework has helped to bring greater consistency to commissioning** practices across Wales and has strengthened the emphasis on the RLW commitment. In this respect, there are clear parallels with the work of the Social Care Collaborative Forum in Northern Ireland, particularly its commission and contracting workstream (Section 1.3), which similarly aims to simplify and standardise commissioning processes and which in turn could support delivery of the RLW uplift.

3.18 The framework and its associated code require commissioners to support employers in improving the status, wellbeing, and working conditions of health and social care workers. This includes promoting parity of esteem and equity in terms and conditions across the statutory, private, and third sectors. The framework also makes clear that these requirements should be embedded within procurement and contract monitoring processes, with commissioners responsible for ensuring that providers are paying at least the RLW.

3.19 The Social Care Fair Work Forum in Wales continues to work closely with those leading the national commissioning framework to further strengthen it. The shared aim

²⁰ <https://www.gov.wales/national-framework-commissioning-care-and-support-whc20240234-html>

is to ensure that commissioners prioritise fair pay and treatment of the workforce—recognising that this is essential to the delivery of high-quality, sustainable care.

Challenges/ Risks to be Managed

- 3.20 Care commissioners and providers play a key role in ensuring that Real Living Wage (RLW) uplift funding reaches its intended recipients. A key challenge and associated risk is that the funding may not be fully passed on as intended. For example, within local authority budgets, the uplift could be used to offset other cost pressures. Similarly, for individuals receiving Direct Payments, there is a risk that the uplift may not be passed on to Personal Assistants (PAs) and instead could be used to purchase additional hours of care.
- 3.21 To actively manage these risks, the Welsh Government has implemented a range of monitoring mechanisms. **Providers are required to submit a Self-Declaration Form** confirming that they are paying the RLW, and an **independent evaluation** of the the policy has been completed. This evaluation included the development of a Theory of Change, a process evaluation and an impact evaluation.
- 3.22 The impact evaluation indicated that that as a result of the policy, there has been a major uplift in coverage. Survey data shows that 84% of respondents reported being paid the RLW, a major uplift in coverage – which compares favourably to England, where just 52% of adult social care workers were estimated (based on Skills for Care 2025 data) to be receiving the RLW as of December 2024. There is evidence that the policy has contributed to improved financial wellbeing for some social care workers. Those receiving the RLW were less likely to report financial hardship. While many workers continue to face financial pressures, the evaluation suggests that, without this policy, levels of hardship would likely have been higher, especially given the broader cost-of-living crisis. Whilst the evaluation suggests 84% of the workforce are now being paid the RLW which is positive, there are also concerns that the funding does not always get passed on and is not reaching the whole sector, which will be more stringently monitored looking ahead.
- 3.23 The policy has also had a positive effect on morale and perceptions of being valued, particularly during the initial stages of implementation. This suggests that, in addition to raising pay, the RLW has sent an important message of recognition to care workers. Overall, the evaluation concludes that the RLW policy has made meaningful progress in raising pay and supporting financial stability, but that its impact has been constrained by external factors, and its role must be understood as one part of a wider set of workforce reforms. The findings of the evaluation will inform the Welsh Government's approach to RLW funding in 2026 and 2027.

Published Guidance

- 3.24 There is detailed and **clear published guidance**²¹ in place in relation to the Welsh Government RLW intervention, that is a good practice reference point for the proposed intervention in NI.

Scotland

Introduction

- 3.25 The commitment to fair work in Scotland is long standing and significantly more embedded in policy than elsewhere in the UK. Fair work is defined in Scotland's Fair Work Framework as paid work that offers effective voice, opportunity, security, fulfilment and respect. The Scottish Government continues to use all the levers available to make Fair Work the norm by promoting and embedding Fair Work within every Ministerial portfolio and across the economy.
- 3.26 In the social care sector, efforts to improve fair work conditions have been driven by the Fair Work in Social Care Implementation Group. Like the structures in NI and Wales it is a collaborative body, comprising government, COSLA, integration authorities, providers, and trade unions, formed to implement recommendations for improving fair work practices and terms and conditions within the adult social care sector. Key goals include better pay and terms and conditions, improved job security through an end to zero-hours contracts, and effective collective voice mechanisms for care workers.

Support for RLW²²

- 3.27 Since 2016, the Scottish Government has actively supported the adoption and promotion of the Real Living Wage (RLW) as a key lever for delivering fair work. This includes providing funding to support awareness-raising campaigns, facilitating accreditation, and setting an example by becoming an accredited RLW employer itself. These efforts signal a strong commitment to improving pay and working conditions across Scotland.
- 3.28** Significant steps have been taken to embed the RLW across the public sector. The Scottish Government ensures that all public sector workers are paid at least the RLW and has made this a requirement for frontline adult social care staff and early learning and childcare (ELC) workers delivering publicly funded commissioned services. These measures are intended to enhance income security and **reduce in- work poverty among low-paid workers delivering essential services.**

²¹ <https://www.gov.wales/administering-real-living-wage-social-care-workers>

²² Sourced from - <https://www.fairworkconvention.scot/wp-content/uploads/2024/04/Fair-work-policy-levers-in-Scotland.pdf>

- 3.29 The RLW has also been integrated into key government policy tools. Employers must pay the RLW to be eligible for the Scottish Business Pledge. It is also used as a condition in public procurement contracts and grant funding. Under the Fair Work First policy, payment of the RLW is a central requirement for organisations seeking public funding or contracts.
- 3.30 Through these actions, the Scottish Government has demonstrated a strong and consistent use of its authority to promote fair work principles. Embedding the RLW across multiple policy levers strengthens efforts to raise living standards, tackle inequality, and support sustainable and ethical business practices throughout the Scottish Economy.

RLW in Adult Social Care

- 3.31 From October 2016 the Scottish Government and the Convention of Scottish Local Authorities (COSLA) jointly agreed that frontline care staff working in publicly funded adult social care should be paid at a minimum the RLW, in part to resolve recruitment and retention. It was agreed that local health and social care partnerships would transfer funding to facilitate the RLW uplift via local authorities to care providers. This was viewed a significant progressive effort by the Scottish Government to improve the working conditions and living standards of front-line staff in the sector.
- 3.32 The commitment remains today. In the **Scottish Budget 2025–26, the Scottish Government announced £125 million in funding to ensure that adult social care staff working in private and third sector commissioned services are paid at least the RLW** of £12.60 per hour by April 2025². This investment reflects the government's ongoing commitment to fair work and aims to address low pay in the care sector by supporting providers to meet rising wage expectations. It is part of broader efforts to improve job quality, enhance recruitment and retention, and ensure that public funding promotes dignified and rewarded care work.
- 3.33 As part of the wider effort to extend fair pay across the social care workforce, the Scottish Government has also provided uplift funding through the Independent Living Fund (ILF) Scotland to ensure that Personal Assistants (PAs) receive at least the minimum hourly rate of £12.60 from April 2025. This funding enables individuals who employ PAs using self-directed support to align with the national RLW commitment, helping to improve pay equity and support the sustainability of personalised care arrangements
- 3.34 There is **guidance²³ in place** targeted at the adult social care workforce directly delivering commissioned services that provides details on eligibility and actions that can be taken by SCWs if they are not being paid the RLW.

22 <https://scottishcare.org/wp-content/uploads/2025/03/Adult-Social-Care-Pay-Uplift-2025-26-002.pdf>

23: <https://www.gov.scot/publications/adult-social-care-workers-minimum-pay/>

3.35 The Scottish Government’s focus on the RLW and sector-specific wage floors has led to a clear increase in pay for adult social care workers, particularly those delivering publicly funded services. The minimum hourly rate has risen steadily—from £10.50 in 2022 to £12.60 in 2025—backed by targeted funding to support implementation. These wage increases have improved income security for many low-paid workers. However, **some challenges remain, including uneven compliance, funding gaps for providers and data limitations**. While the overall trend shows progress, full impact assessments—especially on workforce outcomes - are still emerging. There are lessons from the distribution of funding which was viewed as overly complex with variation in approaches to implementing the RLW ranging from percentage uplifts for all providers to undertaking detailed individual negotiations²⁴ This reinforces the need for a simple and transparent approach for the proposed intervention in NI.

England

Introduction

3.36 As noted previously system-wide change to embed Fair Work principles in England’s social care system remains at an early stage. With transformative change expected to follow the timeline of the independent commission, chaired by Baroness Louise Casey.

Existing Research/ Policy Studies

3.37 There are however a range of **existing research and policy studies** on the English context, that help to evidence the case for implementation of fair work practices and the RLW in adult social care.

3.38 A case in point is a report²⁵ commissioned by Skills for Care and authored by Alma Economics that provided high-level estimates of likely costs and benefits of various recommendations in the national workforce strategy²⁶ for adult social care developed by the organisation to improve service delivery. The intent is that the findings will be used to inform future policymaking and will help ensure sufficient care provision to meet the needs of the adult population in England.

3.39 One of the recommendations was introducing a sector minimum wage in line with:

- a) **Real Living Wage (RLW)**
- b) National Living Wage (NLW) +£1
- c) NLW +£2

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<https://www.gov.scot/publications/international-mechanisms-revalue-womens-work-research-exploring-evaluating-international-mechanisms-aim-revalue-result-revaluation-womens-work/pages/20/>

3.40 Within the analysis the costs of implementing (a) to (c) specified above were calculated as the difference between the current wages of adult social care workers and the proposed wage increase. On the benefit side quantified benefits estimated included:

- An **increase in the supply of adult social care workforce**, including both recruitment and retention.
- **Savings to the NHS** – in that a proportion of people that would otherwise be receiving care from the NHS can now be accommodated by adult social care services at a reduced cost; and a reduction in costs due to avoided injuries, due to increased capacity in social care.
- **Improved wellbeing of people receiving care** because of additional staff/ capacity in the adult social care sector – where this well-being impact is monetised.

3.41 The report presents the estimated cost to public finances, savings, and the impacts on the adult social care workforce over the 15-year horizon of the workforce strategy. The results suggest that introducing the RLW pay targets would create net benefits of £4.8 billion over the examined period. Also, that it would lead to recruiting 179,800 new social workers and help more than 296,300 social workers remain in employment across care work, support and outreach, and personal assistant roles. This is summarised in the table below, which is a screen shot from the Alma Economics report.

Pay target	Costs to public finances (m)	Savings (m)	People recruited	Workers remaining in the sector
Real Living Wage	£21,000	£25,800	179,800	296,300
National Living Wage +£1	£30,900	£37,700	263,500	434,700
National Living Wage +£2	£54,800	£65,200	463,600	766,900

Screen shot extract – Page 15 – Economic Analysis of Policy Recommendations²⁷

²⁵ <https://www.skillsforcare.org.uk/Workforce-Strategy/resources/Recommendations-and-commitments/Economic-analysis-of-policy-recommendations.pdf>

²⁶ <https://www.skillsforcare.org.uk/Workforce-Strategy/Supporting-resources/Supporting-resources.aspx>

²⁷ <https://www.skillsforcare.org.uk/Workforce-Strategy/resources/Recommendations-and-commitments/Economic-analysis-of-policy-recommendations.pdf>

3.42 For full details on all workings and underlying assumptions, reference should be made to the full report linked above. The purpose of including this headline extract is to illustrate the potential for investment in increasing the wages of social care workers (SCWs) in NI to **generate benefits that outweigh the associated costs**. It also highlights the likely positive impact on recruitment and retention within the adult social care sector, helping to address longstanding workforce challenges and improve the sustainability of service delivery.

Lessons from International Approaches

Introduction

3.43 The Nuffield Foundation published research in 2024²⁸, which looked at lessons from international approaches to reforming pay for SCWs and distilled out some key principles that should be front-of-mind for those designing, negotiating and enacting pay reform for SCWs (in England). The research studied approaches taken to care worker pay in Wales, Scotland, France, New Zealand and Australia. These are a valuable reference framework for the immediate aim of the Forum to implement the RLW in NI as well as their wider ambitions. The six principles are summarised in the graphic below and detailed in turn thereafter.



²⁸ <https://www.nuffieldtrust.org.uk/news-item/what-can-the-new-government-learn-from-other-countries-attempts-to-reform-pay-in-social-care-0>

Root the policy in a positive case for change

3.44 The authors note that all five countries studied examined made a **strong moral case** to the public in support of reform, though the framing varied. In Australia and New Zealand, union-led reforms centred on addressing inequality, with a clear legal argument that low pay in the female-dominated care sector constituted a form of gender-based pay discrimination. In contrast, other jurisdictions advanced a broader moral rationale for improved pay. Both the Scottish and Welsh governments positioned the introduction of a sector minimum wage as a step towards achieving 'fair' pay for care workers. In Scotland, continued support for the policy has also been framed in terms of its wider social impact—particularly on women, children living in poverty, and the country's broader post-Covid recovery agenda.

Accompany pay policies with a sustainable funding model

3.45 The authors note that spending on social care has been characterised by policy instability and funding that has not kept pace with rising costs, including growing wage bills driven by increases to statutory minimum wage rates. This has placed significant financial pressure on providers, often resulting in higher fees for people who fund their own care. In response, some governments have introduced sector specific minimum wages. However, the research notes that Scotland provides a cautionary example: some providers have reportedly withdrawn from local authority contracts, citing an inability to meet the new pay rates mandated under the national care wage policy. While the Scottish Government has allocated additional funding to local authorities, it is suggested that this support has not always been proportional to the increased costs faced by providers. In contrast, the Welsh Government's funding model has included allocations not only to meet the costs of uplifting all care workers to the Real Living Wage, but also to preserve pay differentials for more experienced staff. Similarly, New Zealand's approach—though time-limited— included a comprehensive funding commitment, with NZ\$2 billion ringfenced to support providers in meeting higher wage obligations.

Create an effective enforcement mechanism

3.46 The authors note that to ensure that the intended benefits of new pay policies are realised across the workforce, **robust frameworks must be in place to secure employer compliance**. In both Wales and Scotland, implementation has relied on non-statutory mechanisms. These include lighter-touch monitoring and enforcement approaches, such as local commissioners and government ministers requesting information from providers on a quarterly basis. A key concern with this model is its reliance on individual care workers to report instances of underpayment—something many may be reluctant or unable to do. By contrast, Australia provides an example of a more formalised, statutory approach. Under the Aged Care Act, providers receiving public funds are legally required to submit annual financial transparency reports, detailing expenditure on staff salaries and wages. This model strengthens accountability and reduces the burden on workers to self-advocate for enforcement.

Make careers in care more attractive at all levels and types of experience

3.47 The authors note that minimal pay differentials between entry level and more senior roles can contribute to high levels of turnover in the adult social care workforce. Simply raising the minimum rate of pay for care work is unlikely, on its own, to make long-term careers in the sector more attractive. What is needed are **structured pay scales that provide clear progression pathways and reward skills, experience, and qualifications**. This approach is a defining feature of recent pay reforms in Australia, France, and New Zealand. While the design of these systems varies—for example, in how staff are assigned to specific pay bands—they share a common objective: to support workforce development and retention by creating more appealing and sustainable career trajectories within social care. This is relevant to the ambition of the Forum in NI to focus on pay and progression frameworks, after the first step of the RLW, like the Welsh position.

A collaborative approach is key to success

3.48 The authors note the importance of cross-party political support to embed long-term change. It cites the example of New Zealand, while an exemplar of ambitious pay reform, is unfortunately also an example of the pitfalls of not using cross-party collaboration to build longevity into a pay policy. The sector pay scale was introduced as limited-term legislation that expired in December 2023 after a one-year extension mired in disagreement had been passed by parliament the previous year. Although the pay scale still exists, it is not legally binding, and ringfenced funding has ceased to flow from central government. The new government has also repealed the economy-wide Fair Pay Agreements Act (2022), which was intended to facilitate collective wage bargaining.

3.49 Two issues are apparent here. First, there was a failure to build consensus across, or even within, political parties around the policy – demonstrated by the widespread discontent that accompanied the passing of the amendment that extended the Act. Second, and especially problematic where this consensus is lacking, there was a failure to create a framework that would bind future administrations into continuing the policy.

3.50 The research also notes that union voices were pivotal to the pay-setting processes in Australia, New Zealand and France. Australia’s pay award system seems to have succeeded in covering all care workers – and even wider ancillary roles – regardless of their contract type, setting or the type of provider that employs them. However, in France, union involvement alone was not sufficient to ensure an outcome all parties judged to be inclusive. Some care workers, including some employed by private providers, were reached by the policy considerably later than others, and frustration at the progress of the policy led to a large number of resignations in domiciliary care. An authentic, representative worker voice should be central to the fair pay agreements.

Considerations beyond pay rates

- 3.51 The authors note that **improving pay is essential, but alone it is not sufficient to transform the social care workforce**. Holistic approaches that address the full spectrum of employment condition - such as job security, access to benefits, career progression, and workforce wellbeing - are critical to improving recruitment and retention. International examples, including those in New Zealand, Wales, and Australia, show that embedding care worker pay reform within wider strategies for workforce development and system sustainability can have a more lasting impact.

4. Overview of RLW Intervention for Social Care Workers

Introduction

- 4.1 This justification document is making the case for a RLW intervention within commissioned services in the adult social care sector starting from Autumn 2025. On the basis that it is the **first year of an ongoing rolling funding commitment** by the Department of Health in relation to the same.
- 4.2 The RLW is independently calculated each year by the Resolution Foundation and overseen by the Living Wage Commission. It reflects the cost of living based on what people need to afford a basic but decent standard of life. This includes expenses such as rent, food, energy, transport, and childcare, and is informed by the Minimum Income Standard research.
- 4.3 The extant **2024/25 RLW rate (outside London) was £12.60 at the time of this review**. This rate provides a benchmark for employers that voluntarily commit to go further than paying government-set minimum wages, ensuring their staff earn a wage that they can live on. The RLW rate is announced in October each year, and accredited employers are expected to implement the new rate within six months. The government set statutory requirements include the minimum wage (for under 21s) – currently £10 - and the National Living Wage (NLW) - currently £12.21 (introduced on 1st April 2025).
- 4.4 In recent years, the **gap between the NLW and the RLW has steadily narrowed**. In 2022-23, the NLW was £9.50 while the RLW was £10.90, a gap of £1.40 per hour. In 2023-24, the NLW rose to £10.42, but the RLW increased to £12.00, leaving a wider £1.58 gap. However, by 2024-25, the NLW rose sharply to £11.44, reducing the gap to £1.16. With the 2025 NLW (since 1st April) at £12.21 and the RLW at £12.60 (outside London), the difference has narrowed further to just £0.39.
- 4.5 The findings of the Forum’s Employer Survey (Section 2.4 and Appendix B) clearly evidence that the ability of providers in the independent adult social sector to pay the RLW is dependent on the adequacy of the rates paid through commissioning and contracting arrangements. Per the context of the WHSCT re-procurement of domiciliary care services (Section 1.4) it is also clear that contracting authorities are responsible for ensuring that rates facilitate payment of the RLW in the context of social value. Rather than passing the obligation onto employers to find the resources within their own operations (in the context of current rates).

- 4.6 The **costings required to facilitate the uplift to the RLW** in the adult social care sector have been **developed by the Strategic Planning and Performance Group (SPPG)**, in conjunction with Policy input informed by the research implemented by the Forum, including the design of benchmark schemes like that in Wales. SPPG, a key unit within the DoH is responsible for the strategic planning, commissioning, and performance oversight of health and social care services across NI. As such, SPPG maintains the baseline models used to calculate the rates payable annually for commissioned services within the social care sector. It is essential that the **RLW uplift is applied as an additional 'layer' to these existing modelling frameworks**. Adopting this integrated approach - rather than developing a separate theoretical model - will support the efficient deployment of funding through established commissioning and contracting mechanisms.

Coverage

- 4.7 The proposed RLW intervention applies to **registered social care workers (SCWs) who provide front-line care in the independent sector through commissioned services**. It is centered on workers registered with the Northern Ireland Social Care Council (NISCC), where registration is mandatory for specific adult social care roles. The wage uplift will also apply to eligible workers employed through agencies. It is the responsibility of commissioners and employers to ensure they are working with agencies that follow fair work practices and pay the RLW to their eligible staff.

Year 1 - 12 Month Equivalent Costing/ Funding Mechanism

- 4.8 In broad terms the costing methodology, to calculate the uplift to facilitate payment of the RLW is similar to the approach that has been deployed in Wales. In that it focuses on funding the gap between the NLW and the RLW. Employers are responsible for paying workers the NLW and therefore the commitment is to bridge the difference. As is the case in the scheme in Wales a principle of this funding is that it should not disadvantage employers who are already paying the RLW, or that have taken steps towards this.
- 4.9 The key assumptions built into the funding mechanism are as follows:-
- The RLW cost uplift has been applied to the current NLW element of the SPPG cost models – consistent with the policy intent above to bridge the gap between the two. As noted previously statutory requirements dictate that employers are required to pay the minimum wage (for under 21s) and the National Living Wage (NLW) for over 21s. The findings from the Forum’s SCW survey (per Section 2.3) indicated 100% compliance with this i.e. that all employers of the SCWs who responded to the survey were meeting their statutory obligations in this regard.

- The calculations apply the current % increase of the RLW over NLW (3.19%)²⁹ to the proportion of the cost base within the SPPG models that relates to the NLW. By default, there is carry through to the “on-costs” of National Insurance contributions and employer pension contributions, that rise in direct proportion to any increase in hourly rates of pay. The costing models are not adjusted downward to remove any RLW uplift % for sick pay, sleep-ins or any other hours where there is no requirement to pay the NLW³⁰.
- The above approach has been applied to the following sub-sectors of social care:-
 - Nursing Homes
 - Residential Homes
 - Jointly Commissioned Supported Accommodation
 - Supported Living
 - Community and Voluntary
 - Children’s Homes ³¹

4.10 There are two exceptions in terms of sub-sectors of adult social care in respect of the assumptions / approach above to facilitate payment of the RLW. The first relates to homecare, where the current SPPG cost model already has £12.60 - the 2024/25 RLW rate - factored in as the ‘hourly wage component’ of the overall hourly rate payable for homecare. However, SPPG cannot confirm that the overall hourly rate payable for homecare (currently £21.35) is sufficient for all employers in the homecare sector to be able to pay the RLW. This is evidenced by the fact the majority (73%) of homecare employers captured by the Forum’s Employer Survey (per Section 2.4 and Appendix B) were not able to pay the RLW to their social care workers. Accordingly, the calculations done by SPPG have factored in an additional 5% uplift to the ‘hourly wage component’ of the overall hourly rate payable for delivery of homecare services. With a view to employers being able to pass on the RLW rate to their staff. Additionally, the calculations have factored in a further 10% uplift to the overall hourly rate payable for homecare, as a provision to cover travel (with the flexibility that it could cover either travel time and/or expenses). This will help to address the need to better resource the travel requirement within the delivery of homecare services. The findings of the Forum’s SCW Survey (per Section 2.3 and Appendix A) show that the vast majority (69%) who were required to travel for their work, were not paid for travel time between visits to clients/service users in their homes. This survey further evidenced shortfalls in reimbursing SCWs for travel related expenses. This 10% uplift is designed to address these needs. Reflecting on all the above the overall hourly rate for homecare proposed within the SPPG modelling is £23.71.

NLW 25/26	£ 12.21		
29 RLW 24/25	£ 12.60	£ 0.39	3.19%

²⁹ For sleep-in shifts, the NLW is only payable for the hours a worker is awake and performing duties, not for the entire period they are on duty unless they are working for the majority of the shift. For other types of absence, like sick days, workers are not entitled to pay from their employer during that time, though statutory sick pay may apply.

³¹ Whilst the remit for this assignment relates to adult social care DoH requested that this category be included in the costings.

- The second exception to the broad modelling approach described above relates to Direct Payments and Self-Directed Support. Direct Payments allow individuals to buy and arrange their own care and support, in line with an agreed care plan. Self-Directed Support is a broader approach that includes Direct Payments as one of several options. The current rate for Direct Payments is £18.53 and the SPPG modelling is proposing to increase this to £19.10. With a view to enabling any SCWs providing care through these arrangements to be paid the RLW.
- In terms of the volume/ scale of social care delivered, the 2025/26 activity levels are per 2024/25 estimates provided by Trusts.

- 4.11 Applying all the assumptions above the projected cost through the SPPG modelling for the intervention is **£49.9m. This is the full year i.e. 12-month equivalent cost.**
- 4.12 The calculations above are based on the 2024/25 RLW rate of £12.60. As noted previously the RLW rate is revised annually. By way of a sensitivity analysis, the SPPG team have modelled the potential impact if the RLW for 2025/26 was increased by a further £1 (to £13.60) on the overall cost of the intervention. This level of increase could come to pass in that the gap between the NLW and RLW is currently the lowest it has ever been (at £ 0.39 since 1st April 2025).
- 4.13 As noted previously, the Real Living Wage (RLW) rate is announced annually in October, with the expectation that it is implemented within six months. Accordingly, a new RLW rate would be in effect by April 2026 and should be factored into uplift calculations. It is understood that the SPPG typically resets the rates for the services within these commissioning arrangements at the start of each financial year (i.e. 1st April). Therefore, the timing of the RLW implementation and the SPPG uplift process would be expected to coincide. If the RLW was to increase by £1 to £13.60 then the full-year 12-month equivalent cost from 1st April for the intervention would be an additional £70.5m.
- 4.14 To provide context, it is useful to consider the implementation of the RLW for SCWs in Wales. The intervention is underpinned by a rolling funding commitment, with annual reassessments based on changes to the RLW rate and the size and composition of the social care workforce. This ensures that funding remains aligned with wage inflation and the evolving demands of the care sector. In the first year of the scheme (2022–23), the cost of delivering the RLW uplift was £43.2 million. In Year 2, the cost rose to approximately £70 million, largely due to the increase in the 'gap' between the NLW rate and the RLW rate from the previous year.

Enforcement and Monitoring Mechanisms

- 4.15 As highlighted in the benchmarking analysis in Section 3, it is essential that robust enforcement mechanisms and accountability measures are established to ensure that the wage increases associated with the RLW uplift are fully passed on to all eligible social care workers (SCWs). This is particularly important given that public funding is being used to support the implementation of Fair Work practices within the sector.
- 4.16 Drawing on best practice elsewhere DoH are considering a range of mechanisms in this respect that are likely to include a combination of the following:-
- **Contractual mechanisms** – stipulation of clauses – principally PPN 01/21 - Social Value in Procurement (per Section 1.4) within contracts with providers requiring that the RLW be paid to eligible workers. Providers must agree to these conditions to be awarded the contract(s) with failure to comply resulting in withholding of funds or termination of contracts.
 - **Provider Declarations / Self-Certification** – providers will be required to formally declare i.e. self-certify that they are paying the RLW to all eligible staff. In quarterly returns to the relevant commissioning authorities – principally the HSC Trusts. This practice is in place in Wales³².
 - **Sampling verification** – i.e. commissioning authorities themselves or an external auditor working on their behalf, will seek to inspect a subset of SCWs payroll and employment records to confirm whether the RLW uplift is being properly paid to them. The percentage of verification (sample size) will depend on the size of the provider and the risk profile, and the resources available.
 - **Whistleblowing system** – i.e. a hotline and /or online reporting mechanism, that would allow SCWs to confidentially or anonymously report non-payment or underpayment of the RLW. The processes would entail prompt acknowledgment and clear guidance on what to expect; secure communication channels throughout the investigation; and on conclusion, clarity on the outcome and any actions to be taken. A well-managed system like this will build confidence and encourage future reporting to drive compliance.
- 4.17 DoH will develop publicly available guidance that documents how the RLW uplift will operate including the enforcement and monitoring mechanisms. The guidance document³³ in place in Wales is a good practice reference point in this respect.

³² <https://www.gov.wales/provider-self-declaration-form>

³³ <https://www.gov.wales/administering-real-living-wage-social-care-workers#93604>

5. Anticipated Benefits

Introduction

- 5.1 This section outlines the anticipated benefits of public funding for a RLW uplift to services commissioned from independent providers in the adult social care sector. It considers a **range of beneficiaries and categories of impact**, beginning at the level of individual SCWs and extending to the wider NI economy, under the sub-headings below. The analysis draws on a combination of primary and secondary research evidence.
- 5.2 The case presented in this report relates specifically to Year 1 of the uplift, on the understanding that this represents a rolling commitment, subject to annual recalculation. This approach is consistent with the process in place in Wales, where annual updates account for both:
- Changes in the gap between the NLW and the RLW, and
 - The size and composition of the social care workforce each year.
- 5.3 Given the current lack of longitudinal cost visibility, it is not feasible to produce forward-looking projections using discounted cash flow models such as Net Present Cost (NPC) or Net Present Value (NPV) analysis. Instead, this section provides a qualitative and indicative assessment of the likely benefits, drawing on available evidence that suggests a positive benefit–cost ratio from public investment in social care—that is, the expected benefits are likely to exceed the associated costs.
- 5.4 It is important to note that, given limitations in the available data and the wide range of external variables at play, this analysis of the anticipated benefits is subject to a degree of uncertainty. For example, changes to migration rules or visa policies could reduce the availability of adult social care workers, thereby limiting the sector’s ability to expand services—even where additional funding is provided to support a RLW uplift. Similarly, wider labour market dynamics may influence outcomes. If sectors such as retail, hospitality, or other low-wage industries become more attractive—due to higher pay, improved conditions, or greater flexibility—social care providers may face ongoing recruitment and retention challenges, despite increased funding. These and other factors, many of which are beyond the direct control of those delivering adult social care policy and funding, highlight the inherent uncertainty in projecting the full scale of anticipated benefits.

For Social Care Workers

- 5.5 The most immediate benefit for SCWs is **improved financial well-being**. The RLW is based on the actual cost of living and therefore the uplift should help to ensure that SCWs are better able to afford essentials like food, rent, transport, and utilities.

Reducing the need for SCWs to rely on in-work benefits, second jobs and borrowing money from friends and family.

- 5.6 The findings of the Forum’s survey with SCWs (Section 2.3) indicated that:
- To top up their income, 37% rely on overtime, 25% have a second job, 15% have unsociable hours payments and 8% receive social security benefits
 - To meet with rising costs of living, 48% of respondents have borrowed money to pay essential bills such as heat, light etc. and 16% have relied on foodbanks/charities for support
- 5.7 The RLW uplift should therefore contribute to **reducing in-work poverty**, providing SCWs and their families with a more stable and dignified standard of living. Elsewhere (notably Scotland) the Fair Work agenda is strongly positioned to help address poverty and child poverty. The ability to earn a decent wage may also mean that SCWs may not need to take on excessive hours to make ends meet, improving their work-life balance.
- 5.8 Beyond financial well-being, the RLW uplift will help SCWs to feel valued and respected for the essential work they do. Leading to **improved morale, motivation, and job-satisfaction**. Again, the Forum’s survey with SCWs (Section 2.3) — particularly through many of the qualitative responses — highlighted a strong sense of being undervalued. Many workers expressed frustration that they could earn more in retail roles, such as stacking shelves, despite those jobs carrying far less responsibility, emotional and skill demands. This disconnect between the value of the work and the level of reward meant that many were thinking of leaving their job (and the sector). As noted in the findings of the Forum’s survey with SCWs:
- 70% of respondents had considered leaving their current job in the last year and 65% had considered leaving the sector completely.
 - Factors causing social care workers to consider leaving included low rate of pay (55%), feeling burnt out (40%), work related stress (32%), unsociable hours (21%), lack of promotion or career opportunities (21%).
- 5.9 Making the case for the RLW uplift is an important first step, in the work of the Forum, in helping **SCWs to feel that their work is recognised as skilled, demanding, and socially vital**. This recognition may encourage more to stay in their roles, leading to more stable employment and career progression.

For Employers

- 5.10 The immediate benefit for employers in the independent sector, is that the ability to pay the RLW will make them more attractive to job seekers. Helping in turn to **fill vacancies faster**, in a sector experiencing chronic staffing shortages. Per the

findings of the Forum's Employer survey (Section 2.4), 86% of domiciliary care organisations and 94% of social care organisations who responded to the survey reported social care vacancies.

- 5.11 SCWs are also more likely to stay with an employer who pays fairly and adopts fair work practices. Resulting in **reduced staff turnover**, which saves money on both recruitment and training. Per the findings of the Forum's Employer survey (Section 2.4), two-thirds (64%) of domiciliary care organisations and 42% of social care organisations reported an increase in staff turnover rates in the last 12 months. Better pay also helps to **reduce absenteeism** (workers who are less stressed financially tend to take fewer sick days). Reductions in turnover and absenteeism, can in turn **reduce the reliance on agency staff**, which can put both financial and operational strains on service delivery. Per the findings of the Forum's Employer survey 18% of domiciliary care employer respondents and 73% of social care employers (i.e. all others sub-sectors) had to engage agency staff in the last 12 months because of staff shortages.
- 5.12 The survey evidence also indicates that many social care employers are scaling back their operations and are at risk of being unable to meet existing service commitments - a situation driven primarily by workforce shortages. Notably, 77% of employers reported being unable to expand their business activities due to staffing constraints. This comes at a time when demand for adult social care is at an all-time high, and projected to increase significantly in the years ahead, based on the demographic and prevalence data set out in Section 2.2. By easing recruitment and retention challenges, the RLW uplift would directly contribute to:
- Greater **stability for employers**, better enabling them to maintain service levels,
 - Improved workforce capacity, and
 - The ability to plan for future growth in line with rising demand.
- 5.13 A final benefit for employers is **enhanced reputation**. Employers paying the RLW may be seen as ethical, fair, and socially responsible. This boosts their brand image, both among SCWs and service users.

For the Social Care Sector Workforce (as a whole)

- 5.14 The report³⁴ commissioned by Skills for Care and authored by Alma Economics (as referenced in Section 3.4) provides a quantitative assessment of the impact of an RLW uplift on the adult social care workforce through increased recruitment and retention.

³⁴ <https://www.skillsforcare.org.uk/Workforce-Strategy/resources/Recommendations-and-commitments/Economic-analysis-of-policy-recommendations.pdf>

- 5.15 Recruitment effects were modelled using a wage elasticity of labour supply — i.e. how responsive workforce size is to changes in pay and specifically how many additional people would become adult social care workers for a 1% increase in wages
- A conservative elasticity of 1.6% was applied, based on research estimates that ranged from 1.6% to 4%.
 - Retention effects were also calculated using research linking wage increases to reductions in staff turnover.
- 5.16 As shown previously in the table in Section 3.4, these assumptions were used to estimate the total number of new social care workers recruited into the sector, as well as the number of existing workers retained as a direct result of the RLW uplift. They evidence a significant estimate of the **increase in numbers in the adult social care workforce**.
- 5.17 The RLW uplift for social care workers will directly support the delivery of **NI’s Social Care Workforce Strategy 2025–35** (Section 1.3) by helping to tackle some of the sector’s most pressing challenges. Improved pay will make social care a more attractive and competitive career choice, support recruitment and retention, and contribute to a more stable and motivated workforce. This, in turn, will enhance employers’ ability to maintain and grow services in line with rising demand. The RLW uplift also aligns with the Strategy’s ambitions to **professionalise the workforce**, strengthen leadership, and enable longer-term workforce planning — all of which are essential for delivering safe, high-quality care over the next decade. The strategy underscores the importance of the work of the Forum in building the case for change for the RLW uplift – as the first step, in a wider programme of work.
- 5.18 At the workforce level, there are also important **reputational benefits** to be gained from a RLW uplift. It would help position the adult social care sector more positively within the wider labour market by **aligning with the Department for the Economy’s (DfE) ‘Good Jobs’ agenda** — a central pillar of its Economic Mission. As outlined in Section 1.3, the care sector in Northern Ireland is currently among the poorest performing sectors against this agenda, primarily due to its failure to consistently pay at or above the RLW.
- 5.19 However, evidence from the Forum’s survey of social care workers suggests the sector performs relatively well on the other two key criteria:
- A high proportion of permanent contracts, and
 - Limited use of zero-hours contracts.
- 5.20 Therefore, an uplift to the RLW represents a real opportunity to strengthen the sector’s position — both in terms of public perception and in meeting wider economic and workforce policy goals.

For Wider HSC System (and service users therein)

- 5.21 Improved capacity in the social care sector (which the RLW uplift will facilitate), will play a crucial role in **reducing delayed transfers of care (DToC)** from hospitals across NI. A (DToC) refers to a situation where a patient is medically ready to leave a hospital but cannot be discharged because the necessary support, care, or accommodation is not available or has not yet been arranged. In summary the patient no longer needs acute or specialist care and their discharge is delayed due to non-medical reasons. Reducing DToCs has a significant positive impact on both patient flow and system-wide efficiency in health and social care.
- 5.22 DToCs are frequently caused by the following 'delay reasons' both of which are directly linked to social care capacity:-
- awaiting care package in own home
 - awaiting residential/nursing home placement
- 5.23 The SSPG within the DoH monitors and categorises DToCs based on the recorded reason for delay. Efforts were made to obtain data from the SSPG to assess the scale and trends in relation to DToCs across NI and within individual HSC Trust areas—specifically where the delay reason related to the two key factors outlined above.
- 5.24 However, mainly due to changes in the 'delay codes' used for classification, and the phased implementation of the Encompass digital care record system (which altered data capture processes at different times across the five HSC Trusts), it has not been possible to secure consistent, longitudinal data. As a result, there is no reliable dataset currently available for this justification document that provides a clear picture of the scale or trends in DToCs over time across NI or each of the Trusts.
- 5.25 One of the HSC Trusts undertook an analysis of DToCs across a range of care settings on one day in early 2025 and identified 181 individuals delayed in a bed waiting either for a placement in a nursing or residential home (n=105) or for a domiciliary care package (n=76). Maintaining someone in a hospital or other temporary bed is more costly than the provision of a permanent placement or care package, suggesting that there is potential for increased capacity within the adult social care sector – to which the RLW uplift will contribute – to play a role in reducing these delays and associated
- 5.26 It is notable that the report³⁶ commissioned by Skills for Care and authored by Alma Economics (as referenced in Section 3.4) projected benefits (savings to the NHS) of £25.8bn (£25,800m) against costs of £21bn (£21,000m) to implement the RLW in the adult social care sector, over a 15-year period of 2023-37. Resulting in a net benefit of £4.8bn (£4,800m). This is summarised in the table below, which is a screen shot from the Alma Economics report.

³⁶ <https://www.skillsforcare.org.uk/Workforce-Strategy/resources/Recommendations-and-commitments/Economic-analysis-of-policy-recommendations.pdf>

Table 2. Impacts on public finances by pay target, 2023-2037

Pay target	Costs to public finances (m)	Savings (m)	People recruited	Workers remaining in the sector
Real Living Wage	£21,000	£25,800	179,800	296,300
National Living Wage +£1	£30,900	£37,700	263,500	434,700
National Living Wage +£2	£54,800	£65,200	463,600	766,900

Screen shot extract – Page 15 – Economic Analysis of Policy Recommendations³⁷

- 5.27 The savings to the NHS within the analysis are based (a) on more service users having their care needs accommodated by adult social care services at reduced cost compared to hospital settings and (b) a reduction in costs due to avoided injuries, whereby the additional capacity in social care would prevent individuals from experiencing injuries³⁸ that would be treated by the NHS.
- 5.28 In practice, the types of savings identified in the Skills for Care report (as referenced in the table above) may not represent ‘cash-releasing’ benefits. While accelerating discharge and freeing up acute hospital beds delivers economic efficiency - by enabling better patient flow and optimising use of existing capacity - it does not typically result in direct budgetary savings.
- 5.29 This is because freed-up beds are immediately reoccupied due to ongoing waiting list pressures and the high underlying demand across the acute care system. As such, the primary benefits lie in the **improved functionality of the system— including enhanced patient flow, reduced delays, and greater overall efficiency in health and social care delivery**—rather than in reducing expenditure.
- 5.30 Equally important is the impact of reducing DToCs on service users. Individuals who are medically fit but remain in hospital longer than necessary often experience:
- Deconditioning
 - Increased risk of hospital-acquired infections
 - Decline in mental health and independence

³⁷ <https://www.skillsforcare.org.uk/Workforce-Strategy/resources/Recommendations-and-commitments/Economic-analysis-of-policy-recommendations.pdf>

³⁸ e.g. individuals supported by a homecare package or in a nursing/ residential care setting are less likely to experience a fall

5.31 Improved stability and capacity in adult social care, which the RLW uplift will contribute to, will therefore help in **improving health and well-being outcomes for patients**. As well as preventing avoidable complications that these individuals are at risk from, due to being delayed in their discharges from hospital.

For the NI Economy 'NI PLC'

5.32 Skills for Care and Development is the alliance of key organisations in the UK and Ireland, that focuses on regulation and workforce development in social care, social work, and early years. It includes the NISCC as the NI body. It commissioned Alma Economics to analyse the adult social care sector's economic and social value in the United Kingdom as a whole and in each of the four nations.

5.33 The NI report arising from this commission – "Economic and Social Value of the UK Adult Social Care Sector: Northern Ireland" (July 2024), published on the NISCC website³⁹ - estimates that the adult social care sector in NI is estimated to support **46,500 FTEs and generate £1.5 billion in value when considering direct, indirect, and induced impacts**. The estimated GVA of the adult social care sector represents approximately 2.9% of the total GVA in Northern Ireland. These figures do not include informal (unpaid carers).

5.34 These figures above underscore that **adult social care is a driver of economic activity as the largest health and social care workforce** delivering care in NI. Per the analysis in Section 1 the vast majority (77.75%) of registered SCWs are employed in the independent sector. The intervention to support the RLW uplift will contribute to bringing stability to this workforce, in turn helping to sustain the value of their contribution to the NI economy – cited above.

5.35 The same report estimated that the adult social care sector in Northern Ireland delivers a Benefit-Cost Ratio (BCR) of £2.82. This implies that **for every £1 of public investment, approximately £2.82 of socioeconomic value is generated**—representing the highest BCR across the UK nations. This strong return on investment suggests that an intervention to support the Real Living Wage (RLW) uplift in the independent sector (which accounts for the majority of the adult social care provision in Northern Ireland) is likely to deliver net positive benefits, with the expected socioeconomic gains outweighing the associated costs.

³⁹ <https://nisc.info/app/uploads/2025/02/Summary-report-Northern-Ireland.pdf>

6. Concluding Remarks

Introduction

- 6.1 This 'justification' report has **consolidated the Forum's programme of work and research** behind the 'in-principle' decision by the DoH Minister to implement the RLW in adult social care. Specifically, through an uplift in the funding of commissioning arrangements with independent (non-statutory) providers, that represent the vast majority of social care service delivery in NI.
- 6.2 Advocating for the RLW in adult social care, is a long-standing issue in NI, recommended in the "Power to People" report⁴⁰ back in 2017 as a central element of system transformation.
- 6.3 It will help to **reinforce other policy priorities and initiatives** -including:-
- the reform of adult social care which is being overseen by the Social Care Collaborative Forum;
 - the realisation of the ambitions in the Social Care Workforce Strategy (2025-35)
 - priorities in the All-Party Group on Skills report, A People-First Approach to Skills for Social Care⁴¹.
 - the development and implementation of a new Learning Disability Service Model
 - the 'Good Jobs' strategic priority with the Economic Mission of the Department for the Economy (DfE).
- 6.4 The other devolved regions of the UK – **Wales and Scotland** – **are well advanced in terms of the Fair Work agenda** in adult social care and **commit significant central government funding every year to ensure that the RLW can be paid** to social care workers, delivering front-line care through commissioned services.
- 6.5 The projected full year i.e. **12-month equivalent cost (based on the SPPG modelling) for the intervention is £49.9m**. As set out in Section 5, this investment will deliver a range of benefits – at the level of SCWs, employers, the adult social care workforce; the wider HSC system and the NI economy 'NI PLC'. The adult social care sector is an economic driver in NI and delivers the highest Benefit– Cost Ratio (BCR) from public investment across the UK nations.
- 6.6 The Forum's programme of secondary and primary research strongly evidence that the adult social care sector in NI is in a **state of sustained crisis**, with **workforce pressures at its core**. Without action - such as improved pay through the proposed

⁴⁰ *Power to People: Proposals to Reboot Adult Care and Support in Northern Ireland* report⁴⁰ was published in December 2017 by an Expert Advisory Panel.

⁴¹ <https://university.open.ac.uk/northern-ireland/our-work/policy-and-public-affairs/all-party-group-on-skills>

RLW uplift, better workforce planning, and targeted investment - the sector risks further destabilisation, with knock-on effects for public health, hospital systems, and the wellbeing of care users.

- 6.7 Whilst this report has made a positive 'case for change', it is critical to acknowledge that that 'doing nothing' is not a neutral option, as can normally be the position with a 'Do-Nothing' option presented in business cases. 'Doing nothing' will create considerable 'disbenefits' - it will entrench existing problems, amplify system-wide pressures, and undermine the long-term sustainability of adult social care in NI. Targeted investment - particularly in workforce pay and conditions - with this RLW intervention as an essential foundational step is necessary to avoid further decline.

About the UUEPC

The UUEPC is an independent research centre focused on producing evidence-based research to inform policy development and implementation. It engages with all organisations that have an interest in enhancing the Northern Ireland economy. The UUEPC's work is relevant to Government, business and the wider public with the aim of engaging those who may previously have been disengaged from economic debate.