



Homecare Association

Homecare Association response: the development of a Social Care Negotiating Body for Wales to set Fair Pay Agreements for the social care workforce

Submitted by email 27 April 2026

Executive Summary

The Homecare Association supports the Welsh Government's ambition to improve pay and conditions for the social care workforce, and we recognise the opportunity a Fair Pay Agreement represents — particularly for the predominantly female and ethnically diverse workforce who deliver care every day.

One overriding insight has guided our response: what care workers most need is not simply a higher headline pay rate, but security of total income — predictable, fairly paid hours covering all working time. Research published in [March 2026 by Homecare Voices](#) — a UK-wide worker-led organisation based on a survey of 511 current and former homecare workers — found employers pay 72% of workers for contact time only, with unpaid travel and waiting time meaning their true average hourly rate falls from a contracted £13.08 to just £9.61 per hour. Critically, 70% of workers identified payment for all working time as the most important factor for improving retention — ahead of higher basic pay, cited by 55%. This will undermine a Fair Pay Agreement that raises the nominal headline rate without addressing the underlying contact-time commissioning model from day one for the majority of the workforce.

This leads to our central argument: the SCNB, operating within its statutory remit under the 2025 Act, can negotiate pay and terms and conditions — and must do so effectively. But the SCNB is a necessary condition for improvement, not a sufficient one. The commissioning model in Wales — which, in some parts of Wales purchases care by the minute, fragments hours between an excessive number of providers, and fails to guarantee workers sufficient volume for compact rotas — structurally prevents providers from delivering income security regardless of what rate the SCNB negotiates. Reforming that model is beyond the statutory scope of the SCNB. It is a responsibility that falls squarely on Welsh Government, the National Office for Care and Support, and local commissioners — and it must run as a parallel workstream alongside the SCNB process, not after it.

Our response sets out two non-negotiable conditions for the Fair Pay Agreement to succeed:

- First, the Welsh Government must introduce a National Contract for Care Services — a compulsory minimum fee rate for commissioned care, calculated using an agreed methodology. Without this, providers will be legally obligated to deliver pay

improvements that commissioners have not funded, repeating the failures of the Real Living Wage rollout.

- Second, Welsh Government and the National Office must launch an immediate parallel workstream to reform how the Welsh public sector commissions homecare — shifting from contact-time purchasing to shift-based purchasing and reducing hyper-fragmentation through neighbourhood-based zoning. The SCNB cannot deliver income security for workers if the commissioning system prevents providers from guaranteeing hours and paying for all working time. These are separate but inseparable conditions for success.

We also urge the Welsh Government to resource the employer side of the SCNB properly. Independent sector providers cannot absorb the cost of sustained participation in complex negotiations without dedicated support. Failing to resource employer representation risks producing an agreement that the organisations most affected by it cannot sustain.

Consultation response

The UK Employment Rights Act 2025 (the 2025 Act) includes powers to establish a Social Care Negotiating Body (SCNB) to agree Fair Pay Agreements for the Social Care Workforce in Wales. Welsh Government is seeking the views of individuals and organisations in relation to the establishment of a SCNB for Wales.

This consultation does not seek views on the detail of any fair pay agreement, any level of pay or new terms and conditions. These will be agreed through the bargaining process.

The outcomes of this consultation will help us to understand sector views on a range of areas including:

- the SCNB
- the negotiating process
- coverage and remit
- dispute resolution
- implementation
- compliance and enforcement

About you

1. In what capacity are you responding to this survey?

If you are responding on behalf of someone else, please answer as if you were them. If you are working in social care, please share your professional views.

- An individual sharing my personal views and experiences
- An individual sharing my professional views (including people working in social care)
- On behalf of an organisation

- As an individual employer of one or more personal assistants

The following questions are for organisations.

[Question 2-16 for individuals and professionals in the workforce]

17. What type of organisation are you responding on behalf of?

- Social care provider
- Trade union
- Local council
- NHS trust
- Charity
- Other representative body of social care workers or providers
- Other, please specify

18. What is the name of your organisation?

Homecare Association

19. Where does your organisation operate or provide services?

Select all that apply.

- England
- Wales
- Scotland
- Northern Ireland
- Outside the UK
- Prefer not to say

[Questions 20-22 for direct employers]

Social Care Negotiating Body (SCNB)

This section considers the establishment of the Social Care Negotiating Body (SCNB) for Wales. It seeks views on how the SCNB could be set up to successfully create Fair Pay Agreements

We are proposing two options for the establishment of the SCNB:

Option 1: an expert committee, providing independent specialist advice to government, building on our existing partnership approach and culture, which would ensure continuity in how stakeholders in Wales work together, or

Option 2: a non-departmental public body operating at arm's length from Welsh Government.

The relevant Welsh Ministers will formally approve key organisations to sit on the SCNB and will appoint an independent Chair for either of these options, however, there would need to be a more formal process in place for non-departmental public body with all members of the body needing to go through a formal Ministerial appointment process.

23. Which option do you support?

- An expert committee, providing independent advice to Government
- **A more formal Non-departmental Public Body**
- Neither
- Don't know
- Other

If other, please provide further comments on the proposed approach to establishing the SCNB, please include them here. (Optional):

We would recommend a Non-Departmental Public Body. This is because a more formal Non-Departmental Public Body would help to:

- ringfence staff resources to support negotiations and ensure a dedicated secretariat with less risk of staff being diverted by competing departmental priorities and policy pressures.
- ensure greater independence - the Welsh Government has established interests as the ultimate funder of any agreements. It's vital that the body has the authority to give a clear view on funding realities that is independent of the view of government/departmental finance teams.

The secretariat for such a body will be fundamental to the negotiations working well.

The negotiating body will not only need civil service resources but also needs information and access to analysis and expertise on social care operations, industrial relations, finances, labour market and engagement. It is unlikely that a civil service team alone would be able to meet these needs. The Welsh Government should consider research budgets and what will be required in advance. The secretariat should undertake any procurement process in liaison with a range of sector representatives so that the right resources are procured.

The secretariat needs the ability to commission independent research and analysis so that both bargaining sides can negotiate on shared, credible evidence. It should also collect core data covering the whole market — including unregulated services and individual employers — and share this with both sides during negotiations. The Social Care Wales annual workforce survey, our Minimum Price for Homecare calculations, and The Homecare

Deficit research all represent valuable data sources that the secretariat should draw upon.

However, the success of this model also depends on effective employer representation and engagement.

Understanding the impact of any negotiation on the full range of providers will require significant resources and expertise. Currently, existing employer bodies cannot provide this. The Homecare Association has around 0.3-0.4 FTE to cover all of our work in Wales. The staff complement of other Associations is also small. Increasing membership fees to cover costs could result in fewer members. Care Associations are also not typically legally constituted to facilitate pay negotiations in the way that trade unions might be. Serious thought needs to be given to building provider negotiating capacity if these negotiations are to be fair and successful.

At the moment, there is significant diversity in the provider market. This includes:

- Diversity in the specialisms and kinds of social care that providers are undertaking (both in terms of operating model, e.g. residential, visiting homecare, live-in care and in terms of the demographics of the people being supported)
- Diversity in terms of commissioning or purchasing arrangements under which providers are working
- Diversity in terms of business models and size
- Diversity in terms of not-for-profit vs. for profit organisations
- Diversity in terms of fee rates – our Homecare Deficit FOI data suggests a £14 an hour difference in how much providers are being paid per hour of care delivered, depending on which council in Wales they are working with at the moment

This means that fair pay rates will have significantly different impacts in different parts of Wales and in different subsectors of the market. Anyone attempting to represent employers will need to have a way of understanding these implications across all these localities and subsectors – which will require substantial work in order to enable negotiations to take place and ongoing liaison with numerous organisations.

Failing to support provider organisations in their participation risks the agreement of unworkable terms, which could lead to business closures and a significant loss of care capacity across Wales.

One way to simplify this going forward (though this would not remove the need for support for employer engagement) would be to agree national commissioning and fee methodology approaches so that there is a more standardised national approach on how the public sector buys care across Wales; meaning the negotiating position is clearer.

The SCNB's statutory remit is limited to pay and terms and conditions of employment. The commissioning and market-shaping reforms needed to make any Fair Pay Agreement workable in homecare sit outside that remit and must therefore be led separately by Welsh Government and the National Office for Care and Support, in parallel with the SCNB process.

The Welsh Government should adopt a phased implementation approach. The system should begin with interim appointments and sector testing, then move to the full model once processes, tools, and evidence systems work well. An annual review should assess representation, process and market changes so the body can adjust over time.

Worker representation

TUC Cymru, UNISON, GMB, and the Royal College of Nursing are the trade union organisations that currently represent workers in social care on the Social Care Fair Work Forum. TUC Cymru are the umbrella body for 48 affiliated trade unions. We are therefore proposing two options for worker representation to reflect that TUC Cymru does not have independent membership of workers.

Importantly for non-trade union members, it should be noted that:

- Recognised trade unions negotiate on behalf of all workers within a bargaining unit, not just their own members;
- Fair Pay Agreements apply equally to union and non-union workers, ensuring everyone benefits from the same terms;
- Trade unions are democratically accountable to their members, which makes them well placed to act as a representative voice for workers; and
- There is no organised, democratic, and accountable body that specifically represents non-union workers.

23. Which proposal do you support to ensure workers are appropriately represented?

- Option 1 - Include TUC Cymru, alongside Unison, GMB and RCN
- Option 2 - Include only representatives of independent, membership based recognised trade unions: Unison, GMB and RCN with TUC Cymru acting as a convenor ensuring effective coordination and communications across trade unions within social care.
- Neither
- Don't know
- Other

Please explain your position and provide any supporting information, including suggestions of additional worker representatives if relevant. (Optional)

We do not take a position on which union structure best represents workers; that is appropriate for workers and their organisations to determine. We do, however, wish to highlight a number of points relevant to whichever option is adopted.

We would like to highlight that a large proportion of unionised care workers work directly for local authorities. Our [Voices of the Homecare Workforce Report 2025](#) found that only 12% of provider respondents said unions were active in their workplace, with half of those formally recognised.

- If the agreement does not cover public sector workers, representation should reflect the workforce that the agreement will affect in practice. This means ensuring strong representation from workers employed in the independent sector, where most homecare staff work and where the agreement will apply.
- If the agreement does include public sector workers, it is important that unions consider the views of their members in the independent sector to determine how views may differ from those of public sector employees.

We encourage worker representative groups to reach beyond traditional structures and actively involve careworkers who do not usually engage with unions or formal representative bodies. Many workers hold valuable insights into the pressures of delivering care in people's homes — including travel time, scheduling, training needs and commissioning practices. A strong worker voice must capture these experiences.

Any worker representatives on the SCNB should be able to reflect the realities of homecare work in the independent sector, including unpaid travel and waiting time, rota instability, and the importance to workers of total income and secure hours rather than headline pay rates alone.

Employer representation

Care Forum Wales and the National Provider Forum are the employer representative organisations that currently represent social care providers on the Social Care Fair Work Forum.

24. Do you agree or disagree with this proposal?

- Strongly agree
- Agree
- Neither agree nor disagree
- **Disagree**
- Strongly disagree
- Don't know
- Other

Please explain your position and provide any supporting information, including suggestions of additional employer representatives who are not currently included in this proposal. (Optional)

We neither agree nor disagree with this proposal as currently framed. We support the inclusion of Care Forum Wales and the National Provider Forum, but we have significant concerns about whether the wider structure is complete and fit for purpose as a statutory negotiating body.

The need to move beyond the Fair Work Forum model

We support efforts to improve working conditions in the sector. However, we have concerns about the Welsh Government's proposal to model the Social Care Negotiating Body (SCNB) on the Social Care Fair Work Forum for two main reasons.

First, the Welsh Government did not establish the Forum on the basis that it would undertake enforceable pay negotiations. The Forum's purpose, membership, and ways of working reflect a collaborative advisory role, not a binding collective bargaining function. Using the Forum as a template for a body with statutory negotiating powers risks carrying forward a structure that was never designed for this fundamentally different purpose.

Second, the Forum's membership does not reflect its founding intention to focus on conditions in the independent sector, and the SCNB consultation proposes to replicate this pattern. The Forum includes three trade unions plus the TUC (whose members sit disproportionately in the public sector), three public sector bodies (Social Care Wales, ADSS Cymru and the WLGA) and only two independent provider representatives: Care Forum Wales and the National Provider Forum. The consultation states that the intention is for similar organisations to sit on the SCNB. Public sector experience and knowledge therefore dominate the model. This creates a significant risk that the Negotiating Body will not hear or understand the fundamental operational and financial pressures facing not-for-profit and private sector providers, who deliver the majority of social care in Wales. The fact that the employer representation proposal put forward by the National Provider Forum was not included in the employer representation section of the consultation document highlights this concern.

We urge the Welsh Government to design the SCNB's membership from first principles, drawing on the Forum's experience correcting the structural imbalance rather than reproducing it. Failing to understand and respond to the concerns of independent providers and their employees could prove critical for the sector's future sustainability and the credibility of the body with employers.

The role of local government on the Negotiating Body

The inclusion of ADSS Cymru and the WLGA as employer representatives, occupying part of the employer quota, will concern many independent providers. Both organisations also commission care, which creates an inherent conflict of interest: they would negotiate employment terms while simultaneously controlling the fee rates that determine whether providers can afford to meet those terms. The Cordis Bright evaluation of the Real Living Wage policy found that insufficient funding for the Real Living Wage in recent years has driven increasing tension between commissioners and independent providers in some parts of Wales. [In 2025](#), only one local authority in Wales, and none of the NHS bodies, paid fee rates that met the Homecare Association's Minimum Price for Homecare.

The financial, legal, and policy context for public sector employers also differs substantially from that of independent organisations. Local authorities and NHS bodies operate within national pay frameworks (the NJC Green Book and Agenda for Change respectively), can run operating deficits underwritten by government, and maintain in-house HR and legal teams. Independent providers, by contrast, cannot sustain deficits and often lack this specialist support.

In homecare, commissioners shape not only fee rates but also the volume, fragmentation and structure of hours purchased. These factors directly affect whether providers can offer workers secure and predictable income. That reinforces why commissioners should not simultaneously be negotiating as if they were ordinary employer representatives.

We propose that the Negotiating Body involve local government in a formal consultative or advisory capacity — with a duty to submit written assessments of affordability, commissioning readiness and market sustainability — but that this role does not reduce the number of employer seats available to independent providers. The consultation already proposes a similar advisory package for local government, and we consider this the more appropriate model.

If the Welsh Government decides instead to give ADSS Cymru and the WLGA full negotiation seats as employers, we propose two safeguards. First, those seats should reflect the proportion of careworkers these bodies employ directly (as a proportion of total employer seats), rather than their commissioning role. Second, independent sector employers must hold a collective right to veto any proposed agreement independently of any public sector employer contingent, to prevent outcomes that the organisations most affected by the agreement cannot sustain.

Employer representation: reflecting the diversity of the sector

When we discussed the proposal with the National Provider Forum, we agreed on the following position, which the consultation document did not include:

“We propose that the SCNB include employer representatives in sufficient numbers to reflect the diversity of social care provision in Wales, covering residential care, domiciliary care, supported living, and other specialist services. We propose that Care Forum Wales and the National Provider Forum oversee the development and delivery of a mechanism to elect or select individual representatives to fill these positions, as these organisations represent social care providers across Wales.”

Two independent sector representatives — the current arrangement on the Fair Work Forum — will not capture the diversity of the market. Homecare accounts for a significant and growing share of commissioned social care in Wales. Its cost structure differs markedly from residential care: employment costs represent 70–90% of total expenditure, and travel time, mileage and scheduling add considerable complexity. These differences mean homecare providers bring distinct perspectives to negotiations that a small number of seats cannot accommodate.

We strongly recommend that the structure of employer seats should reflect the market's diversity through defined criteria, including: equal weighting for residential and non-residential care; representation for specialist services for younger adults; a dedicated seat for small providers; regional diversity across Wales; and representation of different business models, including not-for-profit and private provision.

Resourcing and skills for employer representatives

We expect that finding appropriate employer representatives will prove difficult. Early conversations with providers indicate that many could not easily bear the cost of undertaking representative work without remuneration. Representatives would need to carry out substantial research, analysis and consultation to understand the implications of proposals across such a diverse market. They would also need specialist pay negotiation skills.

In particular, providers we have spoken to are keen for there to be a mechanism to consult a larger body of providers that has nominated representatives covering all local authority areas in Wales. This is due to how pay rates land differently in different geographical areas due to the different financial and commissioning arrangements used. If we were to pursue this, it would take time and resource to set up.

No responsible employer will take on a negotiation role without the right structure, research capacity and skills to ensure the integrity and legitimacy of the process. The Welsh Government must fund the employer side of the Negotiating Body so it can fulfil its core responsibilities. Trade unions fund their negotiation infrastructure through established membership dues; employer bodies in social care operate with far more limited resources and cannot replicate this model.

Employer representatives will need relationship-building skills, expert knowledge of the sector, values aligned with best practice and expert negotiating skills. They will also need dedicated time, administrative support, and access to independent research to engage properly with complex negotiations and understand the implications of proposals across varying commissioning and purchasing arrangements.

Role of Local Government and the Association of Directors of Social Services (ADSS) as commissioners

We are presenting two options for consideration in relation these roles:

- **Option 1:** Full Membership for All Key Stakeholders to include: Employers; Trade unions, Local government and ADSS.

This option ensures all parties have a direct role in negotiations, reflecting the collaborative approach that has underpinned social partnership in Wales in recent years.

- **Option 2:** Employers and Trade Unions as Core Members, with Local Government and ADSS in an advisory role.

Under this option employers and trade unions would form the core negotiating membership, with Local Government and ADSS on the board in an advisory capacity.

The rationale for this approach recognises their critical responsibilities for implementing Fair Pay Agreements, commissioning services, and negotiating provider fee rates and contracts, factors that directly influence workforce pay.

25. Which of the two options proposed for involving local government and ADSS in the Fair Pay Agreements process do you support?

- **Option 1** – Employers, trade unions local government and ADSS all have full voting rights
- **Option 2** – Employers and trade unions have full voting rights with local government and ADSS in an advisory role.
- Neither
- Don't know
- Prefer not to say

Please explain your position and provide any supporting information. If there are other ways you think that local government and ADSS should be involved, please also state that here. (Optional)

Commissioners shape the homecare market more than any other actor. They determine the prices paid for care, the volumes purchased, the contract terms offered, and the speed at which fee uplifts reach providers. Employers will not have confidence in the SCNB unless commissioners hold a clear and active role in supporting and funding outcomes. Without this, the agreement will fail in practice.

The evidence from Wales reinforces this point. Our [Homecare Deficit 2025](#) report found that only one local authority in Wales — Pembrokeshire — paid an average hourly rate at or above our Minimum Price for Homecare in 2025. Average council rates in Wales ranged from £23.61 in Cardiff to £37.73 in Pembrokeshire. The funding deficit for homecare in Wales at the Real Living Wage stood at approximately £130.6 million in 2025–26, comprising £120.1 million from local authorities and £10.4 million from the NHS.

If commissioners do not engage fully in negotiations and commit to a reliable mechanism to fund the outcomes (which we have not seen with the Real Living Wage rollout), providers will face an impossible position. They cannot implement agreed pay and terms unless commissioners adjust fee rates accordingly. This creates a serious risk of undermining the Fair Pay Agreement from the outset.

This matters particularly in homecare, where workers' real income depends not only on the nominal wage rate but on whether commissioners fund enough hours, sufficient travel and waiting time, and a commissioning model that allows efficient rota design.

We recommend that the Welsh Government require commissioners to submit formal evidence that they have assessed affordability, commissioning readiness, and market sustainability. The chair should publish how this input shapes the final proposal, not merely acknowledge it. Local authority and ADSS Cymru representatives should attend negotiation sessions so that the employer and worker sides can test proposals against commissioning realities without diluting their bargaining voice.

If the Welsh Government decides to give local government and ADSS Cymru a voting role in the negotiations, then this should not impact independent employers' ability to veto the agreement if trade unions and local government agree an arrangement and numerically outnumber independent employer representatives. This could happen if there was doubt about whether funding was available to support an agreement and representatives expect providers to absorb costs when they are not in a position to do so. We frequently see the narrative that care providers have significant profits arise in policy discussions. We believe EBITDA margins are around 5% following unfunded employer National Insurance Contributions increases, and operating with no margin at all is not a viable prospect.

Role of Welsh Government

Stakeholders have expressed a preference for Welsh Government to have a presence as part of the SCNB, primarily in an advisory capacity and not a voting member. This ensures the negotiating body remains independent while benefiting from government insight and experience.

26. Do you agree that Welsh Government should have an advisory role (without voting rights) as part of the SCNB for Wales?

- Yes
- No

If no, please explain your position and provide any supporting information (Optional)

We agree. The Welsh Government should hold an advisory role without voting rights. This preserves the independence of the bargaining process while ensuring that government perspectives on funding, policy alignment, and implementation are available to both sides during negotiations.

However, Welsh Government's advisory role must come with a corresponding obligation to act on the outcomes. If the SCNB reaches an agreement that requires additional public funding, the Welsh Government must commit to funding it fully and transparently. The experience of the Real Living Wage commitment in Wales provides a cautionary lesson. The [Cordis Bright evaluation](#) found that while the policy enjoyed broad support, funding announcements did not consistently translate into sufficient fee uplifts at the frontline. Some providers have not received confirmation of their funding more than six months into the financial year, and that the lack of ring-fencing and transparency about funding creates a stalemate between the Welsh Government and local authorities, with providers left bearing the consequences.

A Fair Pay Agreement will fail if the same pattern repeats. The Welsh Government must therefore commit to ring-fencing FPA funding, publishing the calculations and amounts of additional funding provided, and collecting data to confirm that sufficient uplifts reach providers. The advisory role should also include a formal obligation for the Welsh Government to publish, alongside any ratified agreement, a funding and implementation plan that sets out how commissioners will receive and pass on the necessary resources.

In order to avoid the issues that emerged in the Real Living Wage implementation, we recommend that the Welsh Government adopt a National Contract for Care Services – an agreed fee calculation method which sets minimum fee rates for public sector commissioned care. We are concerned that without this implementation of a Fair Pay Agreement will not be possible. Fee rates in Wales in 2025/26 varied by £14 per hour depending on where a provider was operating, and only one local authority met basic operating costs in 2025. A National Contract should be a fee rate floor - enhanced rates would be required in some cases, including for rurality and complex care.

Other organisations

27. Do you think there are any other organisations who should be members of the SCNB, in addition to the proposed worker and employer representatives?

- Yes
- No

- Don't know
- Prefer not to say

If you answered 'yes', which other organisations should be members of the SCNB, and why? (Optional)

We believe the ASC Negotiating Body should include a small number of additional voices to strengthen legitimacy and improve the quality of negotiations. Individual employers play a vital role in the adult social care workforce and hold employment responsibilities that mirror those of regulated providers. They should hold a clear place within the structure so they can share their perspective and highlight the issues they face when they employ personal assistants.

We recommend that Care Inspectorate Wales (CIW) and Social Care Wales hold observer or advisory roles, given their regulatory and workforce development responsibilities, respectively. CIW's insight into service quality and compliance will help the SCNB understand the relationship between workforce conditions and care standards. Social Care Wales holds valuable workforce data through its annual survey and manages the workforce register. Both organisations can inform negotiations.

Llias and the Older People's Commissioner for Wales should hold observer status, given the roles that they play in giving voice to people who use health and care services in Wales.

Others' interests

28. How should the interests of people who pay for their own care be considered as part of the negotiation process? (Optional)

People who pay for their own care face the most direct price impact from a Fair Pay Agreement. Unlike publicly funded services, self-funders have no commissioner to absorb or negotiate costs on their behalf. Many are older people on fixed incomes who already face rising care costs. If a Fair Pay Agreement raises employment costs without adequate public funding, providers may have no choice but to pass those costs through to private-pay clients, reducing access to care for some of the most vulnerable people in Wales.

We recommended that the negotiating body create a self-funder advisory panel that feeds into each remit. The panel should include providers operating in mixed markets, representatives of people who privately purchase care, and third-sector bodies that support people in this area and understand the challenges people face when they purchase care directly.

The secretariat should collect regular data on pricing trends, cross-subsidy risks, and market exits. Many homecare providers already cross-subsidise state-funded care through higher private-pay rates. A Fair Pay Agreement that increases employment costs without corresponding commissioner uplifts will intensify this cross-subsidy pressure, ultimately making private-pay care less affordable. The secretariat should publish a short impact note alongside any proposed agreement so both bargaining sides understand how new employment costs affect the private-pay market.

Self-funders who employ personal assistants directly will need dedicated, accessible guidance — including in accessible formats, such as easy-read — explaining how the FPA affects them and what support is available.

29. How should the interests of NHS commissioners be considered as part of the negotiation process? (Optional)

NHS commissioners play a significant role in the homecare market in Wales. Health boards purchase homecare directly, often at short notice for hospital discharge and step-down care, and frequently at rates that fall below those set by local authorities. Our [Homecare Deficit 2025](#) report showed that NHS bodies in Wales paid average hourly rates ranging from approximately £26.10 (Hywel Dda UHB) to £27.99 (Swansea Bay UHB), all well below our Minimum Price of £33.90 for 2025/26 and the updated figure of £37.13 for 2026/27. These low rates create serious strain for providers and undermine efforts to stabilise the workforce.

The negotiation process must recognise NHS commissioning as a core driver of market conditions in Wales, not an edge case. NHS teams also shape the work that homecare workers carry out through delegated health tasks, including medication administration, catheter care, and other clinical procedures. Their involvement will help both bargaining sides assess training needs, supervision requirements, and risks to quality and safety.

We recommend that the chair invite NHS representatives and health boards to submit a commissioning and clinical impact note during every negotiation cycle in a similar way to local authority commissioners. This note should cover affordability, service demand, delegated healthcare tasks, workforce pressures, and the changes NHS teams need to deliver improved patient flow through hospitals and stronger community support. NHS commissioners should also take part in structured engagement sessions run by the secretariat, and the secretariat should publish a commissioning impact note alongside each proposed agreement.

The agreement will only work if all major purchasers understand and support it. NHS commissioners hold a central place in that system, and the negotiation process must reflect this from the outset.

Membership criteria

30. Are there any specific criteria that you think Welsh Ministers should consider when appointing members to the SCNB?

- Yes
- No
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. If you answered 'yes', please also state the criteria you think should be considered. (Optional)

Yes. Members should hold recent sector experience and demonstrate a clear link to the constituency they represent. They should show a strong record of collaborative

work, ethical leadership, and commitment to the time required for effective negotiation. The SCNB will need members who understand both frontline delivery and the commercial realities of running care services.

The appointment process should test understanding of the full range of social care in Wales. The sector includes homecare, residential care, supported living, housing with care, personal assistants and individual employers. Members must understand this diversity so they can recognise the impact of decisions across different service types. At least some employer representatives should have direct operational experience in homecare, given the distinctive cost structure and workforce challenges of delivering care in people's homes.

The Welsh Government should ensure a balance between larger and smaller providers, and between different service types and geographic areas. Rural providers in areas such as Powys and Ceredigion face particular challenges around travel time and recruitment that urban providers may not share. These perspectives must feature in negotiations.

We recommend fixed terms with staggered starts and rotation to support continuity, bring new voices into the process, and avoid dominance by any single group. Independent review every three years will help maintain fairness and confidence. The secretariat should publish short biographies, declared interests and constituency links for each member. This transparency will help employers, workers and commissioners understand who represents them and will support accountability.

Supporting the SCNB

The following questions are for:

- organisations
- individual employers of personal assistants
- individuals responding in a professional capacity

To help negotiations go smoothly, the SCNB will need a secretariat function.

The proposal is for Welsh Government officials to provide the secretariat for the SCNB, regardless of whether the Government becomes a member. This arrangement is intended to ensure effective operation, continuity, and good governance, while supporting, not influencing, the SCNB's work.

31. Do you agree with the proposal for Welsh Government to provide secretariat to the SCNB?

- Yes
- No

If you responded with no, who should provide the secretariat to the SCNB?

- Delivered mainly by an external delivery partner
- Neither Welsh Government nor external delivery partner
- Don't know
- Other

Please explain your position and provide any supporting information. (Optional)

We agree. A civil servant led secretariat offers the most cost-effective and accountable option, bringing existing infrastructure, financial oversight, and resource capacity, provided it is adequately resourced, operates impartially, and has the authority to commission independent external analysis so that both bargaining sides can negotiate on shared and credible evidence.

The secretariat must operate impartially and must not steer the SCNB's decisions. Its role should focus on facilitating the negotiation process, organising meetings, managing relationships with involved parties, drafting reports, and ensuring good governance. The secretariat should also have the capability to commission or carry out additional research and analysis as required by the SCNB, so that negotiations rest on comprehensive and shared evidence.

Critically, the secretariat should collect core data that covers the whole market, including unregulated services and individual employers, and share it with both sides during negotiations. It should draw on existing data sources such as the Social Care Wales annual workforce survey, our Minimum Price for Homecare calculations, and The Homecare Deficit research.

We also stress that the Welsh Government must establish external support for employer representation alongside the secretariat. Civil service capacity alone will not meet the diversity of the market. This support must extend beyond the first year and form part of the long-term design, not a short-term transition arrangement. Without this investment, the employer side will struggle to engage effectively, and the SCNB will lack balance.

We also recommend that the secretariat produce a short commissioning context report for each negotiation cycle, setting out average fee rates, prevalence of contact-time-only purchasing, framework sizes, and average hours per provider.

Negotiation process

We propose that Welsh Government issue a formal remit letter to the SCNB at the start of each negotiation cycle, outlining any government priority areas (such as specific roles, pay issues or terms and conditions), set out any conditions or factors the SCNB must take into account, such as indicative funding for that round, and confirm the timelines for reaching an agreement and submitting it to Ministers

32. Are there any factors we should consider when deciding how any funding available is distributed to support the negotiation and implementation of the Fair Pay Agreement?

Please explain your position and provide supporting information (Optional)

We have serious concerns about the Fair Pay negotiations viability unless the Welsh Government implements a **National Contract for Care Services** that uses an agreed (including agreed by employer representatives) fee costing method to implement a mandatory minimum rate for care to be commissioned at. If the Agreement increases pay, the costing method could help to clarify how much additional funding the Welsh Government needs to provide and what new fee rates commissioners would need to pay. This would help to ensure that providers get the resources that they need to implement the terms of any agreement.

Without this, we risk seeing a repeat of the unintended consequences that have arisen from the Real Living Wage implementation. Cordis Bright recorded:

- Local authorities feeling core **funding** from Welsh Government was insufficient
- Providers reported receiving **inadequate uplifts** to cover the full cost of RLW implementation
- Some workers reported reductions in **enhanced sick pay** and **holiday pay**
- While some workers had higher hourly pay as a consequence of the Real Living Wage policy, others said they had less in total because of the loss of **overtime and shift enhancements** and reductions in **mileage** payments
- Providers reported **reducing pay differentials, reducing training,** and **reducing investment** in infrastructure and service improvements to pay for RLW as the funding they received from local authorities was not enough to cover the increased wage cost
- Increased operating costs have **driven up prices** for people buying care for themselves or using Direct Payments, causing questions about access to care (and possibly delays to hospital discharges)
- There are concerns that some commissioners were “**rightsizing**” the number of hours in care packages to manage budget pressures, meaning that people were receiving less care due to limited budgets
- Commissioners were concerned that day centres and other preventative services have become **less financially sustainable because of RLW or are understaffed**

This clearly demonstrates why funding to back the agreement is important.

There are also risks that providers will turn to cross-subsidisation, charging people who pay for their own care more in order to cover the costs of underfunded public placements. If these distortions are to be avoided, then funding has to be adequate, and national minimum fee rates would help to guarantee and clarify the situation and bring confidence to negotiations.

The Welsh Government must ring-fence all funding to ensure it reaches providers and does not get diverted to other local authority pressures. If the Welsh Government does not adopt a National Contract then it must develop an alternative mechanism to ensure the level of funding is clear, that it covers what is in the Agreement and that the funding reaches providers.

We saw a situation in April 2025 where the Welsh Government did not fund the employers' National Insurance Contribution increases following a UK Government decision to increase the contribution rate. There needs to be transparency and accountability for the funding of the Fair Pay Agreement negotiations in Wales. The Welsh Government must resolve any disagreement between the Welsh Government and UK Government about where the liability for costs falls (if applicable) before the negotiations take place.

The Welsh Government should also fund the employer side of the SCNB directly. Provider representative bodies cannot absorb the cost of sustained participation in complex negotiations without dedicated resources. International experience supports this: New Zealand's (now repealed) Fair Pay Agreement system provided NZ\$50,000 in funding per negotiation to employer representatives, and NZ\$250,000 annually to the coordinating body for employer representation.

The Welsh Government should provide funding for the SCNB to commission independent analysis. Both sides need confidence in the evidence base, and shared, credible evidence reduces the risk of protracted disputes.

We believe that in 2025/26 the Welsh Government underfunded homecare alone (not including residential care) by £130.6 million. As well as putting providers under financial strain and affecting management to staff ratios and pay differentials, this increases the risk of cross-subsidisation, labour exploitation, non-compliance with regulations, call-clipping and poor quality care. If the Welsh Government is serious about addressing working conditions in the care sector, it must address existing deficits, or else additional funding for Fair Pay will still not cover costs.

A critical point for homecare is that headline hourly pay alone will not determine whether workers experience an improvement in living standards. What matters to workers is total weekly income and the predictability of that income. Evidence from [Homecare Voices' Behind Closed Doors report](#) shows that workers prioritise payment for all working time over a higher basic rate, and that unpaid travel and waiting time can drive true earnings far below the contracted hourly figure. Welsh Government should therefore calculate any funding requirement on the basis that all working time — including contact time, travel time, waiting time and training time — must be funded.

The deeper structural causes of income insecurity in homecare — including contact-time-only purchasing and the fragmentation of hours across too many providers — are not matters the SCNB can resolve within its statutory remit. They require a parallel commissioning reform workstream led by Welsh Government and the National Office.

33. Is there anything else that you think a remit letter from the Welsh Government should set out?

- Yes
- No
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional)

The remit letter should set clear evidence standards so that the SCNB understands the data sources, modelling assumptions, and treatment of new information. Both sides need confidence in the evidence base before they begin negotiations. The Welsh Government should publish the cost modelling that underpins the financial envelope so employers, workers and commissioners can understand the constraints and test the assumptions.

The remit letter should also describe the consultation requirements for each negotiation cycle. Employers, workers, local government and the NHS all need defined routes to feed in their views. The letter should set a timetable for publication of minutes, proposals, and summaries of feedback so that the process operates with transparency and accountability.

We also believe the remit letter must explain how the agreement links to commissioning. Providers cannot deliver new terms and conditions unless commissioners adjust prices (and potentially commissioning approaches) in line with the agreement. The remit should therefore align with minimum price standards and, ideally, a National Contract for Care Services.

Alongside each remit letter, Welsh Government should publish a commissioning context statement setting out average fee rates by commissioner, the prevalence of contact-time-only purchasing, provider framework sizes, and average hours per provider, so that both bargaining sides can assess whether proposed terms are deliverable.

The letter should also set out the triggers for dispute resolution and the steps the chair must take before escalation. The chair needs clear expectations about how to test whether both sides have explored all reasonable routes to agreement.

Finally, the remit letter should require the SCNB to consider the impact on self-funders and on cross-border providers operating between England and Wales.

How negotiations would work

The following questions are for everyone.

Once the SCNB has received remit letter, it will be able to commence negotiations, led by the chair and supported by the secretariat.

Before the negotiations begin, the SCNB may wish to conduct a period of engagement and evidence gathering to understand the existing landscape. The SCNB will have the freedom to approach negotiations as they see fit, within the parameters set by the remit letter.

34. Do you agree or disagree with our proposal for how negotiations will begin?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional)

While broadly agreeing with the need for an evidence-gathering phase, we would strongly suggest that the pre-negotiation phase includes agreeing a national, enforceable contract for care services underpinned by an agreed fee cost methodology. The National Commissioning Board for Wales (now part of the National Office) has already undertaken costing methodology work. If a methodology is available in advance of negotiations, it may make the negotiation process more straightforward.

Before formal negotiations begin, Welsh Government and the National Office should publish the commissioning context statement described in our response to Q33. This should be treated as a precondition for informed negotiation rather than part of the SCNB's own remit.

We agree that the remit letter provides a useful mechanism for focusing negotiations and avoiding scope creep in early cycles.

We recommend that the first remit letter focus narrowly on pay. A deliberately narrow first cycle, focused on pay clarity and funding alignment, offers the best chance of a credible and deliverable agreement. This should focus on the pay floor in the first cycle. Other pay, terms and conditions should follow in later remits once the system has stabilised.

The negotiation process also needs a clear and defined consultation window within the overall timeline. Each side must speak with the constituencies they represent and test proposals for affordability, deliverability and impact. Providers, commissioners and workers need time to engage with the detail. The SCNB should publish a short summary of consultation feedback and explain how it influenced the draft agreement. This will strengthen transparency and show each constituency that its voice matters.

We also stress the importance of clarity on timing and implementation. Agreements should not operate retrospectively if negotiations run beyond the intended schedule. This needs to be clear to all parties at the start. Backdating an agreement would create serious financial and operational risks and would undermine confidence in the process. Providers and commissioners need certainty so they can plan budgets, set fee rates and adjust contracts in advance. Even if the Welsh Government funds support back-dating, this would not account for private-pay companies needing to increase prices etc.

The secretariat should publish a short summary of consultation feedback and explain how it influenced the draft agreement. This will strengthen transparency and show each constituency that its voice matters. The process should also include the publication of agendas, summaries of discussion points, and final votes. Providers told us this will build trust and reduce confusion about how decisions take shape.

How the SCNB reaches a decision

The following questions are for:

- organisations
- individual employers of personal assistants
- individuals responding in a professional capacity

The 2025 Act allows Welsh Ministers to decide how the SCNB reaches an agreement. We propose a simple approach: an agreement is considered final when both trade unions and social care provider representatives approve it and notify the chair. To uphold self-determination, we recommend that government does not prescribe how each side reaches its decision.

35. Do you agree or disagree with our proposal that each of the bargaining sides manages their own voting system, with a requirement that each side simply informs the chair whether they can support a proposed settlement?

- Strongly agree
- **Agree**
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional)

We agree. Self-determination in voting mechanisms respects the autonomy of both bargaining sides and mirrors established collective bargaining practices. Each side should manage its own decision-making, with the simple requirement that each side informs the chair whether it can support a proposed settlement.

However, we note the particular complexity on the employer side. The adult social care market in Wales encompasses many organisations of different sizes, service types, geographic locations and funding models. Reaching consensus among such a diverse constituency requires structured internal processes. The employer side will need dedicated support, including secretariat resources and time for internal consultation, to ensure that the views of smaller and more specialist providers feed into the final position. Without this, there is a risk that the employer position reflects only the largest or most vocal organisations.

We also recommend that the Welsh Government require both sides to publish short summaries of how they reached their positions, without disclosing confidential negotiating details. This will support legitimacy and help the wider sector understand how decisions take shape.

Timelines

The following questions are for:

- organisations
- individual employers of personal assistants
- individuals responding in a professional capacity who are not members of the health and social care workforce

We are proposing annual negotiations for Fair Pay Agreements as standard practice. Each cycle may focus on different priorities, such as pay for specific roles or terms like training and holiday pay, depending on the remit.

Welsh Ministers will have the ability to set multi-year agreements through the remit letter.

We propose we should allow around 6 months for negotiations including research and for negotiations to be presented to Welsh Ministers during November, allowing consideration for the Real Living Wage increase announcement in October. Fair Pay Agreements would then be implemented from April of the following year.

36. Do you think 6 months is enough time for an agreement to be reached in negotiations?

- Yes
- **No**
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional)

Six months may prove too short for the first negotiation cycle, given the complexity of establishing a new body, building trust between bargaining sides, gathering evidence and negotiating on unfamiliar ground. We recommend that the Welsh Government allow flexibility for the first cycle, extending to 9 to 12 months.

Subsequent cycles should aim for six months as standard once the process has matured. An annual cycle will provide clarity to the sector and balance the need to remain responsive to economic developments while giving stability to employers, as the consultation document itself recognises.

This approach will also support better engagement from small providers, who often need longer lead times to understand proposals and share information. It will create space for the Welsh Government to publish cost assumptions, commissioning expectations, and guidance on coverage, which will help both sides negotiate on shared evidence.

A flexible first cycle will strengthen trust in the process and create a solid foundation for future agreements. Once the system has matured, a six-month cycle will become achievable and realistic.

We therefore recommend a phased approach: an extended first cycle (9–12 months), followed by a review, before moving to a standard six-month cycle when the negotiating body has established its systems and evidence.

37. Do you think 6 months is enough time for the sector to prepare for implementation of the pay agreement allowing Welsh Government to consider the recommendation and implement?

- Yes
- **No**
- Don't know
- Prefer not to say

Please explain your position and provide any supporting information on what would be needed to make this possible. (Optional)

As set out in our response to Q36, the first implementation timetable needs to be flexible rather than tied to a fixed six-month clock. For implementation specifically, the key issue is alignment with local authority and NHS commissioning and budget cycles.

We support the ambition to move towards a standard six-month implementation period once the system reaches maturity, but we believe the first cycle needs much greater flexibility. Implementation will succeed only if it aligns with commissioning and budget cycles. Local authorities and NHS commissioners plan budgets in the winter for the following financial year. If negotiations conclude in March with implementation

expected in April, commissioners will not have the budget capacity to respond. At that point, the opportunity to set compliant fee rates will have passed.

Providers cannot introduce new pay and terms unless commissioners agree fee rates that reflect the negotiated costs. Misalignment between implementation and commissioning will place providers under immediate financial pressure and increase the risk of noncompliance or market exit. This risk will undermine the fair pay agreement and weaken wider goals for homecare and community-based support.

We therefore recommend that Welsh Government allow the chair to set the first implementation timetable only after reviewing commissioning cycles and the readiness of local authorities and NHS teams. The chair should work with the secretariat to issue early clarity on likely costs and expectations so commissioners can factor these into budget planning. This step matters more than any fixed timetable.

A flexible first cycle will give the sector time to adjust systems, consult staff, and prepare payroll and rostering processes. It will also allow commissioners to set realistic prices. This approach will support safe delivery and will show that the fair pay agreement strengthens stability rather than introduces avoidable risk.

If complexities in the negotiation delay the Fair Pay Agreement process, Local Authorities and NHS commissioners must not delay processing annual uplifts in fee rates until the body reaches a decision. Many providers do not have the financial reserves to absorb increased costs from other pressures (whether that is energy costs or Real Living Wage increases) while waiting for a decision.

Coverage and remit

This section seeks views on different areas of pay, terms and conditions, and wider employment policies. It also seeks views on who (what type of job roles, services and settings) the SCNB should cover.

Checking whether a worker falls within coverage of the SCNB

The following questions are for:

- organisations
- individual employers of personal assistants

Whilst the SCNB will negotiate what will be covered in the fair pay agreement, ahead of negotiations we need to define what and who can be considered in the first place. This section seeks views on which roles the SCNB should cover and different areas of pay, terms and conditions and wider employment policies, that could be covered.

38. Are there any roles, either in your organisation or that you employ, that you are concerned do not fit within the definition of an adult social care worker as set out in section 42(1)(b) of the 2025 Act and section 3 (page 15) above, and therefore may not be within coverage of the SCNB?

- Yes
- No
- Don't know
- Prefer not to say

If you answered 'yes', please explain your position and provide any supporting evidence. (Optional)

Yes. The definition in the 2025 Act is intentionally broad — covering anyone employed wholly or mainly in, or in connection with, the provision of social care to adults — but several roles raise practical questions in the homecare context.

Companionship care that does not involve personal care remains common in the sector, and it is unclear whether the definition covers it. Many homecare workers deliver a blend of companionship, practical help, and personal care. In some services, companionship forms the primary purpose, and personal care takes place rarely or not at all. Workers may spend long periods with a person, often more than five hours, and the line between social support and adult social care becomes unclear. Providers need clarity so they can decide whether these roles fall within the scope of the fair pay agreement.

Some services also move across boundaries between complex care and companionship. Workers may support people with significant health needs during part of a visit and then switch to entirely social support. Providers struggle to identify which description reflects the role for the purposes of coverage.

Field supervisors who spend part of their time in management and part in direct care also present a challenge, as do workers providing family support rather than individual care.

It is unclear whether care coordinators would fit within the definition; many also provide some direct care in times of service pressure.

The Welsh Government should also clarify how the definition applies to workers delivering delegated healthcare tasks. Many homecare workers in Wales carry out clinical tasks such as medication administration and catheter care, which sit at the boundary between health and social care. These workers should fall clearly within the SCNB's coverage, and the remit letter should acknowledge the specific training and supervision requirements that attach to these roles.

39. How can Welsh Government support you or your organisation to determine whether your workers are to be within coverage of the SCNB? (Optional)

The Welsh Government should publish clear, practical guidance with worked examples showing how the definition applies to different roles and service models in homecare. This should cover companionship care, live-in care, supported living, workers splitting time between different roles and services, workers carrying out delegated healthcare tasks, and workers in hybrid management/direct care roles.

A named contact point for complex coverage queries would help providers reach quick and authoritative answers. The guidance should arrive well before the first Fair Pay Agreement takes effect, so providers have time to review their workforce and adjust contracts where necessary.

We also recommend that the Welsh Government work with Social Care Wales to develop an online self-assessment tool that helps providers determine which of their workers fall within coverage. This would reduce uncertainty, prevent disputes, and ensure consistent application across the sector.

The Welsh Government or the secretariat of the Negotiating Body should also monitor the market for any shift towards self-employed models (including self-employed micro-carers, introductory agencies and self-employed Personal Assistants) that seek to avoid coverage. Providers raised concerns about this risk and want the Welsh Government to give clear and firm guidance on employment status.

If individual employers of Personal Assistants are in scope for the Fair Pay Agreement, they will need specific guidance tailored to their context on how the Fair Pay Agreement affects them and when a PA will fit within the definition.

We also note that the SCNB's coverage in Wales extends to both adult and children's social care under the 2025 Act, unlike in England where the scope is limited to adult social care. The Welsh Government should clarify in the first remit letter which workforce groups the SCNB will prioritise in its first cycle, and communicate this clearly to providers who deliver services across both adults and children's services.

Excluded sections of the workforce

The following questions are for everyone.

The section on 'Excluded sections of the workforce' in the consultation document looks at which roles in the workforce should be included in the scope of the SCNB. We are seeking views on whether this should include all social care workers or be limited to specific roles or professions, and whether any roles should be excluded from the SCNB's coverage.

40. Are there any settings, services or roles that you think should be excluded from the SC Negotiating Body's coverage?

- Yes
- No
- **Don't know**
- Prefer not to say

If you answered 'yes', please explain who should not be in coverage and why. (Optional)

N/A

41. Are there any other settings, services or roles that you think should be included within the SCNB's coverage that have not been mentioned? (Please see section 3.3 (page 17) for the list)

- Yes
- No
- **Don't know**
- Prefer not to say

If you answered 'yes', please explain who should be in coverage and why. (Optional)

N/A

42. Please share any thoughts on whether the SCNB could affect those that are self-employed or working under informal arrangements. (Optional)

There is a serious risk that excluding self-employed workers and those working under informal arrangements will drive a shift away from formal employment to circumvent FPA provisions. This risk deserves close attention in Wales, where micro-provider schemes and introductory agencies already operate, and where the lower fee rates paid by some commissioners create pressure on employment models.

UK wide we are seeing an expansion of unregulated and falsely self-employed homecare workers, often promoted through micro-provider schemes and introductory agencies. These arrangements deny workers' sick pay, holiday pay, unfair dismissal rights and access to training. They also undermine tax compliance and remove workers from the regulatory framework that protects people who draw on care. If an FPA raises employment costs without aligned commissioning, this part of the market will grow further and destabilise fair competition.

The Welsh Government should monitor these effects closely and work with HMRC, SCW and CIW to prevent further drift into unregulated practice. The SCNB should explain clearly how the agreement applies to hybrid roles, live-in care and personal assistants so workers and families understand their rights.

Beyond monitoring, the Welsh Government should develop a parallel workstream to ensure that the FPA process does not leave behind people working under informal arrangements — including Shared Lives carers in Wales. These workers fall outside the SCNB's scope because of their employment status, but the Welsh Government must not exclude them from the broader strategic intention to improve conditions for the social care workforce.

The Welsh Government should explain clearly how the agreement applies to hybrid roles, live-in care and personal assistants so workers and families understand their rights.

The Welsh Government should track the impact of the agreement on employment models, strengthen enforcement against false self-employment and work with HMRC, the Fair Work Agency, Social Care Wales and Care Inspectorate Wales to prevent further drift into unregulated practice. We recommend registering the whole workforce, including personal assistants and micro-carers.

Areas of the workforce to note

The following questions are for everyone

The government's policy intention is to unite the social care workforce by giving this fragmented sector a much-needed national infrastructure, providing the opportunity to standardise existing best practice and formalise routes for the workforce to access better pay, terms and conditions, and career and development opportunities.

However, it may not be appropriate for the SCNB to cover some areas of the workforce because of unique factors. Here, we are seeking views on whether social care workers employed directly by local authorities or the NHS should be covered by the SCNB.

43. Do you agree or disagree that workers covered by the National Joint Council for Wales should also be in the SCNB scope?

(This question is specifically in relation to social care workers employed by local government who should already be covered by NJC conditions).

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional, maximum 250 words)

We recommend that NJC-covered staff remain within their existing bargaining structure for now. The NJC rate is very likely to continue to sit above the FPA rate for the foreseeable future unless the Welsh Government agrees substantial funding increases. Including NJC workers in the SCNB at this stage would add complexity to negotiations without delivering a practical benefit to those workers.

However, the SCNB should liaise closely with the NJC for Wales to monitor pay differentials and ensure joint workforce planning. If the FPA rate were ever to equalise with or surpass the NJC rate, incorporation of these workers into the FPA would become a feasible approach. Until that point, the question is not of immediate practical importance.

44. Do you agree or disagree that workers covered by the Agenda for Change contract should also be in the SCNB scope?

(This question is specifically in relation to social care workers employed by the NHS)

- Strongly agree
- Agree
- Neither agree nor disagree
- **Disagree**
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your position and provide any supporting evidence. (Optional)

We recommend that Agenda for Change covered staff remain within their existing structure. NHS social care workers already benefit from national pay scales, structured progression and enhanced terms and conditions that sit well above the levels achievable through the FPA in the foreseeable future (unless the Welsh Government provides substantial funding). Including them would add complexity without clear benefit.

The SCNB should liaise closely with the NHS Pay Review Body and the Agenda for Change Staff Council to monitor pay differentials and ensure joint workforce planning. The growing role of delegated healthcare tasks in homecare is blurring the boundary between NHS and independent sector roles, and the SCNB should track how this evolves.

Cross-border workers

The following questions are for social care provider organisations.

Wales, England and Scotland will each have their own SCNB to reflect the policy differences across the nations. This means that Fair Pay Agreements could look different and therefore could impact those social care providers who deliver care across the borders.

45. Do you currently manage a service across the borders between England and Wales or England and Scotland?

- Yes
- **No**

If you answered 'yes', how do you currently manage the differences between the policies and regulations that are different across the nations? For example, the Real Living Wage being a policy in Wales and not in England. (Optional)

Some of our members operate across the England–Wales border (and the England-Scotland border). There is not a standard approach to managing this, and it can be quite situation-specific.

46. In principle, would having to comply with different legal requirements for pay and terms and conditions in different countries cause you to reconsider your operations and where you provide care?

- Yes
- No
- Don't know

Please explain your position and provide any supporting information. (Optional)

There are already regulatory complexities with providing cross-border work in terms of CQC/CIW registration and workforce registration. However, Fair Pay Agreements could potentially add a further level of difficulty.

Providers operating across borders could face genuine administrative and operational burdens from divergent pay and terms requirements. Different FPA rates in England and Wales could require providers to maintain separate payroll calculations, different contractual terms, and distinct compliance reporting for workers who may deliver care on both sides of the border within a single week.

This could also create tensions between staff on how coordinators allocate rota hours if pay is better in one locality rather than another.

This complexity could potentially drive some providers to withdraw from one side of the border, reducing supply and choice for people who draw on care. In border areas with already thin provider markets, any reduction in supply could have a significant impact on access to services. The Welsh Government should work proactively with DHSC to minimise divergence in the early cycles and provide clear guidance for cross-border providers. It may be difficult for providers to give a clear view on impacts when we do not know what the respective Governments and Negotiating Bodies will include in either of the Fair Pay Agreements at present.

[Questions 47 for employees only]

The following questions are for:

- social care provider organisations
- members of the social care workforce

48. Which option below would you prefer where there is the potential for a worker to be covered by more than one Fair Pay Agreement because they are working across borders?

- A worker follows the Fair Pay Agreement pay and terms and conditions for the number of hours worked in that nation

- A worker follows the one Fair Pay Agreement where they spend most of their time working, receiving the same pay and terms and conditions for all the hours worked
- A worker follows the one Fair Pay Agreement for where they are resident, receiving the same pay and terms and conditions for all the hours worked
- Other
- **Don't know**

Please explain your position and provide any supporting evidence. (Optional)

While it would be administratively simpler to assign a worker to a single FPA, it is likely that the pay levels agreed in the different nations will shape the fee rates that providers receive. This means that it may not be practical to pay the worker based on the most favourable FPA, for example, because the funding for the hours they work in the other nation will not bear the cost.

A worker delivering 20 hours in England and 18 hours in Wales under a single contract would need dual pay calculations, dual compliance reporting and potentially dual contractual terms. This is unworkable for most homecare providers, particularly smaller organisations. It could also generate pay inequalities between workers doing the same job for the same organisation.

We strongly recommend exploring alternative options with care providers and commissioners in border areas – including considering how the Fair Work Agency enforces the Fair Pay Agreements in these regions, and whether commissioners in border regions would support a higher Fair Pay Agreement rate for companies doing cross-border work to support equalised pay.

Informing the remit of the SCNB

The following questions are for everyone.

The 2025 Act sets a remit for the SCNB to negotiate matters that relate to:

- The remuneration (pay) of social care workers
- The terms and conditions of employment of social care workers
- Any other matter related to employment of a social care worker, which must be specified in regulations

This section of the consultation seeks views on different elements of pay and terms and conditions, as well as other employment policies (such as policies on people and culture, and additional benefits and financial incentives) that could be part of the SCNBs remit.

Pay priorities

Low pay is a contributing factor to poor domestic recruitment and retention. By improving pay, we can support the delivery of high-quality care for people, leading to a more skilled, experienced and productive workforce.

49. Out of the following areas of pay, which do you think should be a priority for the Welsh Government's first remit letter to the SCNB?

Select up to 3 priorities.

- **Setting a pay floor (a sectoral minimum wage) above the Real Living Wage**
- Setting pay bands linked to career progression

- Introducing qualification or skills-linked pay
- Bonuses (for example, seasonal bonus payments)
- Pay supplements (for example, for unsociable hours or to support recruitment and retention)
- Don't know
- Other, please specify
- None of the above

Please explain your position and provide any supporting evidence. (Optional)

Selected priority: setting a pay floor above the Real Living Wage. We do not recommend adding further pay priorities in the first remit letter.

The first remit letter should focus on setting a pay floor (a sectoral minimum wage). The Welsh Government's policy position is that workers should already receive the Real Living Wage. However, 16% of workers were not receiving this [when surveyed](#) in December 2024, and this position may have worsened given that the Welsh Government has not funded the employers' National Insurance Contribution increase. The first FPA should consolidate and build on this foundation and establish a clear, enforceable minimum that goes beyond a voluntary commitment.

We believe that the negotiating body should count travel time, waiting time, training time, and contact time as working time for the purposes of pay negotiations. However, we have heard concerns from providers that commissioners are not funding this at present for the Real Living Wage in some parts of Wales. Funders of social care need to be clear about the fact that if they pay fee rates for contact time only, those rates also need to cover enough to pay waiting time, travel, training time, leave etc. Providers cannot deliver a Fair Pay Agreement until there is clarity around what counts as time at work and how the agreement – and funding - treats different elements of working time. A clear pay floor with well-defined rules on these issues will support recruitment and retention more effectively than any other measure.

In homecare, Welsh Government should be careful not to treat headline hourly pay as the sole or even main determinant of workers' experience. As set out in our response to Q32, workers' total income and the security of that income depend on whether all working time is paid and whether sufficient hours are available.

We strongly advise that the first FPA focus narrowly on pay clarity and funding alignment, with other terms considered only in later remits once the system has stabilised. The risk of overloading the first negotiation with ambitious but unfunded proposals is that it produces an agreement that providers cannot implement and commissioners cannot fund. This already seems to be the case with the Real Living Wage.

Our Minimum Price for Homecare in Wales 2026–27 calculates a minimum cost of £37.13 per hour to deliver homecare sustainably at the Real Living Wage. This breaks down as: £13.45 hourly rate for contact time; £3.10 for travel time; £2.32 for waiting time; £2.38 for mileage; £4.39 for other wage-related on-costs (training, sick pay, holiday pay); £3.17 for employer NI and pension; £6.89 for business costs; and £1.43 for profit/surplus/investment. These figures demonstrate the full cost that commissioners must fund if the FPA is to succeed. The average rate paid in 2025 in Wales was £27.14, and providers are not seeing the uplifts needed to meet the new Real Living Wage in 2026/27. So, to even implement the Real Living Wage properly will require substantial work and investment.

We are calling for a National Contract for Care Services, setting a mandatory minimum rate for the purchase of care across Wales based on an agreed fee methodology. The

Welsh Government should publish equivalent cost modelling alongside the first remit letter.

Pay bands linked to career progression represent a desirable longer-term objective. The Social Care Fair Work Forum has already developed a Pay and Progression Framework for the independent sector in Wales. The SCNB should build on this existing work in subsequent cycles, once the first Agreement establishes and fully funds a pay floor that covers all working time.

Terms and conditions priorities

Workers in social care are often employed on statutory minimum terms and conditions, including statutory sick pay and annual leave entitlements. This is often an important reason for workers leaving their roles or not being attracted in the first place.

The 2025 Act delivers an improvement in employment rights for all workers, including strengthening statutory sick pay and introducing rights to guaranteed hours which are particularly relevant for social care workers. The following questions are not about those changes. Instead, they focus on how a Fair Pay Agreement could go further.

50. Out of the following terms and conditions, which do you think should be a priority for the Welsh Government to consider as part of their remit letter to the SCNB?

Select up to 3 priorities.

- Pay for time and costs of travelling between visits (in addition to the minimum Real Living Wage which providers should already be paying)
- Pay for sleep-in or night shifts
- Hours of working week, including guaranteed hours and zero-hours contracts
- Overtime pay
- Enhanced sick pay or sick leave
- Paid holiday or annual leave
- Pension contributions and conditions
- Injury allowance
- Don't know
- Other, please specify
- None of the above

Please explain your answer and provide any supporting evidence. (Optional)

We recommend that no additional terms and conditions priorities are included in the first remit letter. If Welsh Government decides that one must be included, the priority should be payment for all working time, including travel and waiting time between visits.

We urge caution about including wide-ranging changes to terms and conditions in the first remit. The sector already faces major reform through the Employment Rights Act 2025, including changes to zero-hours contracts, strengthened Statutory Sick Pay, and new rights to guaranteed hours. Many providers will still be adapting their contracts, rostering systems and workforce models when the first FPA takes effect. Introducing additional changes at the same time would create unnecessary complexity and operational risk.

Providers want space for the Employment Rights Act reforms to bed in before the FPA introduces further requirements. Many of the terms listed already sit within existing

employment law or forthcoming legislation. Duplicating or overlapping these reforms through the FPA would confuse employers and workers and increase the risk of error.

National Minimum Wage legislation should already count pay for travel and wait time as working time. Issues with workers not receiving this at Real Living Wage rates are likely to be linked to funding and commissioning approaches, and any discussion of a wage floor would need to consider what counts as working time for the purposes of the Agreement. We expect that any negotiated pay floor should cover all working time, and that the Welsh Government should fund this accordingly and ensure funding reaches homecare providers.

Sleep-ins and night shifts stand out as unresolved issues that create confusion and inconsistent practices across the sector. Providers would welcome clear direction on definitions and expectations. Rather than using the Fair Pay Agreement to impose new contractual requirements on night work that are specific to Wales, we would prefer the UK Government to develop a clear code of practice for sleep-in and night work across both England and Wales.

For sleep-ins and night work, we would encourage Welsh Government to work actively with DHSC on a clearer cross-border code of practice, given the overlap in workforce and operating models.

Wider employment matters

Training, development and career progression

It might be appropriate to include training, development and career progression within the SCNB's remit.

Social Care Wales have statutory responsibilities conferred for workforce training under Welsh legislation, therefore the SCNB would be expected to engage with Social Care Wales on these matters.

51. Which, if any, of the following areas within training, development and career progression do you think should be included within the SCNB's remit?

Select all that apply.

- Training entitlements (for example, include annual training days, access to a training budget, the right to request training)
- Specialised training (for example, dementia training, artificial intelligence training, delegated healthcare tasks)
- Policies to support career progression for the workforce
- Policies to support development opportunities for the workforce
- Policies to support specific qualifications for the workforce
- Don't know
- Other, please specify
- None of the above - training, development and career progression should not be included

Please explain your answer and provide any supporting evidence. (Optional)

Social Care Wales manages the workforce register and sets qualification requirements. We believe that the qualification standards in Wales for homecare workers are already the most demanding in the UK.

We are concerned that the training requirements apply only to the groups of social care staff currently registered with Social Care Wales and believe that the most

appropriate way to standardise training requirements across the workforce would be to attach those training requirements to registration and register all social care staff – including personal assistants, micro-carers and other parts of the market that currently fall outside of registration. This policy work falls outside the scope of the Negotiating Body.

We estimate that existing Social Care Wales training requirements amount to an average of 95 hours of training per careworker per year. In our minimum price calculations, we estimate that this would add £1.78 per hour to cover qualification costs and to pay the careworker for the time that they spend training. We believe that the Welsh Government has never properly funded or accounted for the costs of paying careworkers for the time that they spend training, and as a consequence, some careworkers are not being paid for that time. This needs to be addressed before the SCNB discusses any additional training requirements.

It would be appropriate to include the funding of existing training time and requirements in the first round of negotiations so that any wage floor negotiated includes pay for training time as part of the working time considered for the negotiated settlement.

Any training requirements negotiated in future rounds of negotiation should take into account the existing guidance from Social Care Wales and the Pay and Progression work of the Fair Work Forum.

Providers are concerned that excessive training requirements could put people off working in the social care sector when they could work in other similar roles (including in the NHS) without the same formal requirements. Some casual and part-time staff in adult social care may not be looking for career advancement opportunities, and requiring them to undertake significant study can mean that they choose to leave working in the sector for roles in retail or hospitality or become personal assistants or micro-carers. The current training structures do not make allowances for people who want to work on a more casual basis.

There needs to be clarity about how the SCNB would expect enforcement of training requirements to work and which body that would fall under (if not Social Care Wales). At present, Social Care Wales ensure that careworkers undertake the required study courses, and HMRC NMW enforces pay requirements for time spent training.

People and culture

It might be appropriate to also include people and culture policies within the SCNB's remit.

52. Which, if any, of the following areas within people and culture policy do you think should be included within the SCNB's remit?

Select all that apply.

- Equality, diversity and inclusion policies
- Wellbeing policies
- Dignity at work (including bullying, harassment and discrimination) policies
- Family-friendly or balance between work and personal life (including flexible working) policies
- Health and safety in the workplace (including preventing violence in the workplace) policies
- Whistleblowing and speak up schemes
- Don't know
- Other, please specify
- None of the above - people and culture policy should not be included

Please explain your answer and provide any supporting evidence. (Optional)

The SCNB should not mandate people and culture policies. Many of these — such as disciplinary and grievance procedures, whistleblowing policies, and equal opportunities statements — already sit within existing employment law. It is unclear what the rationale is for separate enforcement arrangements for social care. This could create a higher standard of employment regulation for social care than for healthcare or other service sector employers. It could also mean increasing differences between employed and self-employed parts of the market.

We do not believe that a formal negotiating body is the correct mechanism to bring about changes in these areas.

The Social Care Fair Work Forum has already developed model core HR policies, including recognition agreements and disciplinary and grievance procedures. Social Care Wales has undertaken work on good practice in some of these areas, including the Workforce Race Equality Standard.

If the negotiating body agrees fee rates for providers that enable fair pay without reducing management time, then managers will have more capacity to address people and culture issues. If the sector experiences escalating financial pressures, then providers will have less time to implement good HR policies. A National Contract for Care Services is key to protecting management time.

Additional benefits and financial support

It might be appropriate to also include additional benefits and financial support within the SCNB's remit.

53. Which, if any, of the following areas within additional benefits and financial support do you think should be included within the SCNB's remit?

Select all that apply.

- Travel to work schemes (for example, travel season ticket loans, discount for transport, free parking schemes)
- Tailored financial support (for example, financial coaching, student loan assistance)
- Travel and expenses (for example, subsistence allowance, reimbursement of travel costs)
- Other incentives (for example, staff counselling, wellbeing schemes)
- Don't know
- **Other, please specify**
- None of the above - additional benefits and financial support should not be included

Please explain your answer and provide any supporting evidence. (Optional)

The SCNB should not set requirements on additional benefits or financial support in the first cycle. Providers told that these schemes sit outside the realistic mandate of a Fair Pay Agreement and would place heavy burdens on employers who already operate on tight margins and inconsistent commissioning. Many providers said that travel-to-work schemes or financial incentives could take workers below the National Living Wage once deductions or salary sacrifice arrangements take effect. Providers cannot risk this and cannot absorb the cost of employer-funded schemes without significant and reliable commissioning uplifts.

Small providers and start-ups in particular will struggle with mandated benefit packages. Any mandate would create unfair differences between parts of the sector. Providers note that additional benefits are how they differentiate themselves from

other employers, and mandating these would remove the possibility of a competitive advantage for employers without improving overall conditions.

If the Welsh Government wishes to support workers with essential costs such as transport or childcare, it should consider national programmes outside the FPA that support low-paid workers across the economy. These could sit alongside the SCNB's work without placing the delivery burden on individual employers.

54. If there are any additional areas that the SCNB should consider or have in its remit, please outline them here. (Optional)

The SCNB should include a remit that aligns pay and terms with the National Commissioning Framework and a national fee methodology/National Contract for Care Services that sets a price floor for commissioners. Providers cannot deliver negotiated employment conditions unless commissioners agree fee rates and commissioning styles that reflect the real cost of employment. Ideally we would like an enforceable minimum fee rate calculated to an agreed methodology (a National Contract for Care Services) this should require the Welsh Government to set an enforceable floor for local authorities and the NHS to purchase care at so that prices can adjust in line with each agreement. This alignment will support stability, protect service quality, and prevent additional financial pressure on providers.

The Welsh Government should publish the cost assumptions that sit behind each remit, including assumptions about travel time, on-costs, inflation and productivity. Commissioners need this information to plan budgets and implement changes within realistic timelines. Clear cost assumptions will also support scrutiny and help both bargaining sides negotiate on shared evidence.

We also recommend that the remit include data transparency requirements. The sector needs strong and consistent data on workforce pay, turnover, vacancies, commissioning rates, and provider costs. The SCNB will make better decisions when it can draw on reliable data covering the whole market, including unregulated services and individual employers. The secretariat should therefore collect core data and share it with both sides during negotiations.

Finally, the SCNB should align its work with the National Office's work on a National Care Service for Wales. The FPA process must be future-proofed against potential structural reforms on how the Welsh Government commissions care.

We understand that commissioning reform itself is not within the SCNB's statutory remit. However, the SCNB's work should be explicitly aligned with Welsh Government's wider commissioning and market-shaping responsibilities, and the annual cycle should include a published assessment of whether the current commissioning environment is enabling or hindering delivery of the negotiated terms.

Dispute resolution

The following questions are for:

- organisations
- individuals responding in a professional capacity who are not members of the health and social care workforce

This considers what happens if the SCNB fails to reach an agreement and seeks views on how disputes should be resolved, to support the SCNB to successfully reach an agreement.

55. Do you agree or disagree with the proposed approach to dispute resolution, where disputes are triggered by the chair and referred to Acas for independent dispute resolution? (Optional)

- Strongly agree
- **Agree**
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer and provide any supporting evidence. (Optional)

We agree. Referral to ACAS provides a trusted and independent mechanism for resolving disputes. The proposal aligns with established collective bargaining practices and gives both sides confidence in a fair process.

However, several design details matter. The Negotiating Body should set clear escalation criteria in advance so both sides understand when a point of contention becomes a formal dispute. The consultation document proposes that the chair should judge whether consensus exists for triggering the dispute resolution process, and if in doubt, call for a vote requiring a majority (50% plus one) of both sides. We support this approach, as it ensures that both bargaining sides agree that formal dispute resolution is necessary before it commences.

Both sides should have access to early conciliation before formal referral. We welcome the flexibility to choose between different dispute resolution methods depending on the nature of the dispute, and we agree that the methods should not be rigidly defined in secondary legislation.

Transparency about timelines and publication of outcomes will help build confidence in the process.

We also note the fallback provision in the 2025 Act, which gives Welsh Ministers the power to make a determination if the SCNB fails to reach an agreement even after exhausting the dispute resolution process. This is an important safeguard, but it should genuinely be a last resort. The Welsh Government should make clear that ministerial determination will require more scrutiny than ratifying an agreed settlement, including Senedd debate and approval, to incentivise both sides to reach an agreement through the SCNB process. It is absolutely vital that the Welsh Government adequately funds this – a National Contract for Care Services would help to ensure that.

Implementation

The following questions are for:

- organisations
- individual employers of personal assistants
- individuals responding in a professional capacity who are not members of the health and social care workforce

This section sets out what happens once the SCNB has reached an agreement. It seeks views on what we can do to support the sector to be ready.

56. What do you think should be included in guidance and communications to support you to implement Fair Pay Agreements? (Optional)

Implementation guidance should give providers and commissioners clear direction on how to deliver a Fair Pay Agreement in practice. The guidance should include model employment clauses and model commissioning clauses that reflect the agreement and align with a National Contract for Care Services. Providers need certainty that commissioners will apply the agreement consistently and fund the full cost of delivery.

The Welsh Government should mandate use of the National Contract so that local authorities and NHS commissioners commission services in line with the agreement. Without this mandate, providers will face inconsistent application, delays, and disputes at the local level. Clear national direction will give commissioners the confidence to adjust fee rates and give providers the assurance they need to implement new pay and terms.

The guidance should include a compliance checklist and worked examples that reflect different service models, including homecare, supported living, live-in care, and mixed funding arrangements. Providers need examples that show how the agreement applies in real settings, not abstract principles. Simple, clear, easy-to-understand guidance with worked examples for each service model within social care is essential — particularly for smaller providers and SMEs who may not have access to employment law expertise.

The guidance must also address types of work that do not follow a standard hourly model. Live-in care, sleep-in shifts, waking night work and unmeasured time all require specific treatment. Current experience with National Minimum Wage compliance shows that uncertainty often arises around mobile phone use, uniforms, deductions, accommodation and time on call. The FPA guidance should address these issues directly if applicable and not under-estimate the complexity of pay structures in the sector.

Communications should target employers, commissioners, and workers separately and explain their respective responsibilities in plain language. Providers also need a clear route to advice, including a named contact point for complex coverage queries and implementation issues. Personal assistants and individuals who employ personal assistants will need dedicated guidance in easy-read format.

The Welsh Government should also allocate specific resources to supporting commissioners. Guidance for local authorities and NHS commissioners should set out their legal obligations and explain what providers can expect from them. Without statutory guidance for commissioners, the FPA risks remaining a provider obligation without a corresponding commissioning commitment.

57. Do you agree or disagree that Welsh Government and the SCNB should co-author and publish guidance? (Optional)

- Strongly agree
- **Agree**
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer and provide any supporting evidence. (Optional)

We agree. Joint authorship will help ensure the guidance reflects both government policy and the practical realities of delivering care services. It will create a single, authoritative source of information and reduce confusion across a complex and fragmented sector.

Employer representatives should hold a clear role in shaping the guidance. Employers will need to apply the guidance day-to-day, and they hold insight into how proposals operate in practice. The SCNB should consult employer representatives on draft guidance and give them an opportunity to comment before publication. This step will improve quality and reduce the risk of unintended consequences.

Sign-off should rest jointly with the chair and the Welsh Government. The guidance should include clear version control and publication dates so users can track updates and apply the most current advice.

Compliance and enforcement

This section sets out how the Fair Pay Agreement will be enforced and seeks views on how we can support employers and commissioners of care to comply with the agreement.

The following questions are for:

- organisations
- individual employers of personal assistants
- individuals responding in a professional capacity who are not members of the health and social care workforce

58. What do you need guidance on to help you or your organisation to comply with a Fair Pay Agreement? (Optional)

Providers need clear and timely guidance that explains what the agreement requires, how to interpret its terms, and how to apply them in day-to-day operations. This guidance must arrive well before the implementation date and must answer practical questions about pay, travel time, waiting time, and changes to terms and conditions. Providers cannot plan, budget, or brief staff without this clarity.

As outlined above, the guidance must address types of work that do not follow a standard hourly model. Live-in care, sleep-in shifts, waking night shifts, and other arrangements where pay structures differ all require specific treatment. Current experience with National Minimum Wage compliance shows that uncertainty arises around mobile phone use, uniforms, deductions, accommodation, and time on call. The FPA guidance should deal directly with these issues and explain how the agreement applies in each case.

The Welsh Government must also set clear legal obligations for commissioners. The sector cannot deliver a Fair Pay Agreement unless local authorities and the NHS commission in line with it. The Welsh Government should develop a National Contract for Care Services that requires commissioners to fund the full cost of the FPA across different service models via mandated minimum fee rates – commissioners and providers will also need guidance on this.

Providers also need clarity on regulation and enforcement. The guidance should explain how the Fair Work Agency will operate in Wales, how providers demonstrate compliance, and how this interacts with CIW's regulatory oversight and with commissioning requirements. Clear roles will prevent conflicting expectations and allow providers to focus on delivering compliance and quality.

It would be helpful if guidance could highlight differences with other nations' Fair Pay arrangements to ensure clarity for those working across borders.

The staff developing the guidance should liaise with a group of providers covering different business models. Practical worked examples will help ensure the guidance works in real settings.

59. Please share any other views or comments about what support is needed for providers and commissioners of care to comply with a Fair Pay Agreement. (Optional)

The Welsh Government should give commissioners clear timelines and planning assumptions so they can set budgets, review contracts and adjust fee rates in an organised way. Sudden or unfunded changes create serious risks for providers and weaken workforce stability. A structured transition plan will help the sector move at a safe and realistic pace.

The Welsh Government must also address the existing homecare funding deficit. Our [Homecare Deficit 2025](#) report identified a deficit of approximately £130.6 million for homecare in Wales at the Real Living Wage, comprising £120.1 million from local authority commissioning and £10.4 million from the NHS. Providers already deliver services at prices that fail to cover the full cost of care. A Fair Pay Agreement will not succeed unless the Welsh Government closes this gap and funds both existing shortfalls and new costs arising from the agreement. Without this action, providers will struggle to comply, and market instability will increase. As demonstrated with the Real Living Wage roll-out, it is not only the quantity of funding that is vital but also ensuring that it reaches providers.

Providers have asked for clarity on whether they will have a legal defence for not complying with the Fair Pay Agreement if commissioners do not provide them with the funding to cover the costs. This policy option would give providers confidence that, in reaching an agreement, they would have a defence if the Agreement leaves them with pay costs they cannot afford. However, even if this were a legal defence, being subject to challenges from staff could still expose an employer to substantial legal costs trying to defend such a position.

We would, therefore, prefer that the Welsh Government mandate a National Contract for Care Services — a compulsory minimum fee rate, calculated by a method agreed with the sector — to ensure commissioners do not purchase homecare below the minimum cost of sustainable delivery. This mandate will reduce local variation, prevent delays, and give providers confidence to implement new pay and terms. Without it, the Welsh Government cannot have confidence that any agreement will prove deliverable in practice.

The Welsh Government should also create a simple evidence portal that shares cost assumptions, impact assessments, and model clauses for each remit. Providers and commissioners need this information to make consistent decisions and to explain changes to staff and people who draw on care.

There should be clarity about how the Welsh Government has divided enforcement roles and responsibilities and how the FWA functions in the Welsh regulatory environment. This will ensure that providers do not face conflicting expectations from different bodies.

Ultimately, compliance will depend less on enforcement action and more on alignment of commissioning, funding, and guidance.

The following question is for:

- members of the social care workforce
- social care provider organisations
- individual employers of personal assistants

60. Please share any views or information from your perspective about the current processes for resolving disputes and complaints about contracts of employment, pay or working conditions. If there are any changes that you think should be made to these processes, please include them in your response. (Optional)

Commissioning as a cause of non-compliance

Most contract and pay disputes in homecare arise due to a structural funding gap that constrains what employers can offer. The Homecare Association calculates the Minimum Price for Homecare in Wales at £37.13 per hour for 2026–27, yet evidence from the 2025 Freedom of Information exercise shows that only one local authority or NHS body in Wales meets this minimum price. Average fee rates across Welsh local authorities ranged from £23.61 (Cardiff) to £37.73 (Pembrokeshire), with the majority falling well short of the amount providers need to cover even basic careworker costs. Employment costs account for 70–75% of overall homecare expenditure, and this proportion rises to 90% where fee rates fall particularly low. Any effective dispute resolution mechanism must therefore address commissioning practices alongside employment complaints, because low fee rates directly constrain the pay and conditions employers can offer.

In our experience, many local authority commissioners have a weak understanding of National Minimum Wage Regulations and their application to homecare. In our view, it should be unlawful for local authority commissioners to purchase homecare in a way that does not enable providers to comply with the legal Minimum Wage Regulations. We would like to see the Welsh Government address this knowledge gap.

Employment tribunals

Employment tribunals remain the ultimate route for resolving individual contract disputes, yet many homecare employers find the tribunal system poorly suited to the sector's realities. Tribunal panels do not always understand the complexities of homecare delivery — including split shifts, travel between visits, sleep-in arrangements, and the interaction between commissioning constraints and employment terms. We are also seeing record levels of Tribunal case backlogs across England and Wales in early 2026 (even ahead of the Employment Rights Act implementation). These issues need to be addressed to ensure effective and timely access to justice.

HMRC National Minimum Wage enforcement

Current HMRC enforcement of the National Minimum Wage already creates significant anxiety among homecare employers, many of whom operate in good faith but face genuine complexity around unmeasured work time, travel time, training time and on-call arrangements.

Members have said that some HMRC inspectors make exceptionally high demands for documentation and that the inspection process is lengthy, often with long gaps between activities. Some providers feel that HMRC do not always seem to understand how to interpret the Regulations within the context of homecare delivery or that different inspectors may interpret the Regulations differently.

Application of the Regulations often depends on the detail of contracts and working and pay arrangements in a given situation, so we understand the challenges for both employers and HMRC. There are common pitfalls, and we worked with HMRC to highlight these to employers to minimise the number of unintentional mistakes that can lead to non-compliance.

We believe that it is important to build a culture of openness between businesses and regulators, enabling compliance through support. Enforcement agencies should emphasise reporting of non-compliance and learning to improve, rather than punitive enforcement. We therefore collaborated with HMRC in 2022 on a voluntary Social Care Compliance Programme to offer homecare providers the opportunity to have their minimum wage compliance reviewed. The programme aimed to recognise the complexities in compliance with National Minimum Wage and looks to encourage compliance through supporting employers to learn, rather than using punitive enforcement.

We have been involved in discussions about the development of the Fair Work Agency and hope to have an ongoing, constructive relationship with them.

In summary, this is a complex area, and there are existing structural issues and knowledge gaps that need to be addressed.

Equalities impact

The following questions are for everyone.

We are interested to know what impact this policy could have on groups of people who have protected characteristics. The protected characteristics are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

We are also interested to hear about other groups you think might be positively or negatively impacted by the proposed policy.

61. Are there any groups of people, such as (but not limited to) those with protected characteristics, who you believe would be positively impacted by the proposals in this consultation?

- Yes
- No
- Don't know

If you answered 'yes', please select the characteristics of the groups that you think will be positively impacted by the proposals. (Optional)

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership

- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Other group, please specify

If you answered 'yes', why do you think these groups will be positively impacted? (Optional)

Yes. Women and black and minority ethnic workers are over-represented in the social care workforce in Wales. Social Care Wales estimates approximately 82,000 people work in social care in Wales. The workforce is predominantly female (77%) and many work in low-paid roles with insecure hours.

A properly funded Fair Pay Agreement could directly improve living standards and reduce in-work poverty for these workers. It also offers an opportunity to recognise the skill and value of care work, which society has historically undervalued. If funded properly, the impact of a Fair Pay Agreement could prove very significant in improving living standards for working-class women. Similarly, for black and minority ethnic workers in adult social care, and a fully funded FPA could deliver significant improvements to their lives - *if implemented properly*. The Real Living Wage research by Cordis Bright suggested minority ethnic workers were less likely to be paid the Real Living Wage at present.

The positive effect would be greatest if the Fair Pay Agreement improves total income and income security by covering all working time, rather than increasing only the nominal headline rate.

These positive impacts depend entirely on full and sustained funding and effective regulation/enforcement. Without investment, a Fair Pay Agreement could increase pressure on providers and create new risks for workers. The Welsh Government must treat the agreement as an opportunity to invest in communities rather than an attempt to shift costs onto employers or people who draw on care. It must strive not to reinforce existing inequalities.

We also need better workforce data. Robust data on pay, progression, hours and outcomes by sex, ethnicity and other protected characteristics will help assess impact and avoid unintended consequences. The Welsh Government should collect and publish this data so policymakers can monitor outcomes and act where inequalities persist or widen.

62. Are there any groups of people, such as (but not limited to) those with protected characteristics, who would be negatively impacted by the proposals in this consultation?

- Yes
- No
- Don't know

If you answered 'yes', please select the characteristics of the groups that you think will be negatively impacted by the proposals. (Optional)

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief

- Sex
- Sexual orientation
- Other group, please specify: Unpaid Carers

If you answered 'yes', why do you think these groups will be negatively impacted? (Optional)

Yes. Several groups may experience negative impacts without sufficient funding and careful implementation.

Older people and disabled people who pay for their own care will experience increased costs. Without adequate funding, individuals will face higher charges or reduced access to support. This risk falls hardest on people with fixed incomes and/or high care needs. Self-funders may deplete their resources faster and require more state-funded care sooner, increasing long-term public costs.

Older and disabled people in receipt of state-funded care could also be impacted if the Welsh Government does not ensure sufficient funding. This would mean that social care budgets would be tighter, and people may experience 'rationing' of care, with their existing packages being reduced or thresholds for qualifying for care increasing. Unfunded costs could also impact care quality and length of visits.

Higher care costs may also affect informal carers. Families may delay or reduce privately paid care if prices rise, increasing pressure on unpaid carers. Most informal carers are women, so this risk raises gender equality concerns. If care becomes harder to access and more expensive, family members may leave the workforce to provide unpaid care, reducing tax revenue and economic participation.

We also hold concerns about uneven benefits across the workforce. If there is limited funding, this will not resolve staffing shortages or deliver parity with other professions. New entrants may benefit from a higher pay floor, but experienced careworkers may see limited improvement if differentials compress. Evidence from the Cordis Bright evaluation of the Real Living Wage in Wales showed uneven uptake, with younger workers and ethnic minority workers less likely to receive the full benefit and some unintended consequences around pay compression.

Socio-economic factors also matter. People in poorer areas may struggle more with rising costs, and local authorities with high need and low tax bases may lack the capacity to fund increases. Welsh Government funding for local government must adjust for this risk if the policy aims to remain fair across Wales.

International care workers on sponsored visas may face vulnerability if the FPA interacts with changes to immigration policy. The Social Care Fair Work Forum has raised concerns about the UK Government's Immigration White Paper and the removal of the social care worker visa route.

We recommend that the Welsh Government commit to a formal equalities impact review after the first Fair Pay Agreement takes effect, with findings published and used to inform subsequent remits.

Welsh Language Impact

63. What impact, if any, do you think establishing a social care negotiating body to determine Fair Pay Agreements could have on opportunities to use the Welsh language and on ensuring the Welsh language is not treated less favourably than English?

A Fair Pay Agreement that is properly funded could improve pay and working conditions and that could help retain Welsh-speaking careworkers in social care,

particularly in communities across north and west Wales where Welsh is the first language of many people who draw on care. Better pay may reduce turnover in Welsh-speaking areas and make social care a more attractive career option for Welsh speakers who might otherwise seek better-paid work in other sectors.

Recruitment and retention challenges hit rural and Welsh-speaking communities particularly hard. Lower population density means longer travel times, fewer potential recruits, and greater difficulty replacing staff who leave. A Fair Pay Agreement that recognises and funds the true cost of delivering care in these areas — including higher travel costs — could help sustain services in Welsh-speaking communities.

However, if the Agreement is underfunded this could cause increasing instability in the market and would not generate positive opportunities for Welsh speakers.

64. Could the development of a social care negotiating body be designed or adapted to promote positive effects on the use of Welsh and to mitigate any negative effects?

The SCNB should also monitor whether the FPA has any differential impact on Welsh-speaking areas. Rural communities with high Welsh language use often face the most acute recruitment challenges, and the FPA should not inadvertently widen regional disparities.

However, ambitions for the whole workforce to speak some Welsh also affect employment conditions and pay. Social Care Wales is providing a free Welsh course which is 60 hours long and covers basic Welsh language. In March 2026, there were 23,666 domiciliary care workers registered [with Social Care Wales](#). If roughly 58% of these (the proportion who currently don't have any Welsh) had to study Welsh for 60 hours that would most likely remove 824k hours of availability to deliver homecare across Wales (over whatever time period that training took place) and cost the sector £31m (given they would need to be paid for work related training and HMRC treats this as part of their working day – our minimum price currently stands at £37.13 per hour).

A more ambitious goal of getting some staff up to a working level of Welsh (B1 or higher, for example) would take around 360 hours per staff member required to undertake this and would cost over £13,000 per staff member.

Given high turnover rates, there are often a lot of new starters in the workforce – so ongoing training requirements in Welsh are likely to be high (i.e. it wouldn't be a one-off exercise or a one-off cost to get the workforce language skills up).

As previously, we do not believe that the Welsh Government has taken training costs into account when developing training requirements for the social care workforce or its More than Just Words policy. This includes its ambitions in relation to Welsh Language training. We would like to see this properly incorporated into costings to support realistic and achievable policy making. A Fair Pay Agreement could create an opportunity to address this.

We raise these figures not to argue against Welsh language ambitions, which we support, but to underline that language training requirements must be transparently costed and funded if they are to be achievable without undermining workforce capacity or service sustainability.

Any other issues

65. We have asked several specific questions. If you have any related issues which we

have not specifically addressed, please use this space to report them:

We raise seven additional issues.

First, we have significant concerns about the proposal of using backdating – even if this is limited. The Fair Pay Agreement must not allow claims to be backdated beyond the agreed implementation date. Most social care providers operate on thin margins – homecare providers typically achieve EBITDA margins of around 7%, falling to approximately 5% after the 2025 National Insurance changes – and do not hold reserves sufficient to cover retrospective pay liabilities.

Backdated claims would create sudden, unbudgeted cost pressures that many providers simply could not absorb, particularly smaller organisations and not-for-profit providers that reinvest any surplus into service delivery. Implementation must also align with local government finance settlement cycles so that commissioners can adjust fee rates before new pay obligations take effect.

Furthermore, providers who charge self-funding clients must notify them of any price changes in advance; backdating an agreement would make this impossible and expose providers to complaints and potential regulatory challenges. The Welsh Government should therefore make clear in legislation and guidance that a ratified fair pay agreement takes effect only from the date specified in the ratifying regulations and carries no retrospective force.

Second, some local authorities in Wales have doubled the number of homecare providers on their framework agreements in recent years, and this has led to the same quantity of work being split between significantly more businesses. This can mean that no provider can successfully secure sufficient hours to support stable and secure working hours for their staff. The Welsh Government and National Office must address these commissioning practices to improve working conditions in the sector; especially with changes to zero-hours contracts due to be implemented by the Employment Rights Act (2025) in 2027.

Third, the Welsh Government must learn from the Real Living Wage experience. Announcements of funding have consistently failed to translate into sufficient fee uplifts at the frontline. The Cordis Bright evaluation highlighted this. We have worked together with Care Forum Wales and Cymorth Cymru to document that providers have experienced significant difficulties despite the sector publishing the true costs of delivering services each year. A Fair Pay Agreement will fail if the same pattern persists. The Welsh Government must fully fund any new pay commitments, ring-fence the funding and ensure it reaches providers before the implementation date. We urge the Welsh Government to implement a National Contract for Care Services as a compulsory minimum fee rate, calculated by a method agreed with the sector. Any fee methodology should be agreed openly across the sector. The methodology should be based on sustainable business practices.

Fourth, the Welsh Government should consider aligning the FPA scope and remit as far as possible with England to reduce administrative complexity for cross-border providers and avoid creating perverse incentives for workers or providers to favour one nation over another.

Fifth, the SCNB may need to take account of different pay and working conditions within the sponsored workforce due to salary thresholds set by the Home Office. It is unclear how these will align with agreed Fair Pay rates and there are risks that they could lead to different pay rates or conditions for similar work.

Sixth, the Welsh Government should publish a clear roadmap showing how the FPA process, the Social Care Fair Work Forum, the Pay and Progression Framework and any future National Care Service proposals connect. Providers need to understand how these overlapping initiatives fit together and which body holds responsibility for which policy area. Without this clarity, there is a risk of duplication, confusion, and reform fatigue across a sector that is already under severe financial and operational pressure and high levels of regulation.

Finally, Welsh Government should recognise that a Fair Pay Agreement will not by itself improve employment conditions in homecare unless it is accompanied by a parallel programme of commissioning and contracting reform. The SCNB can negotiate rates and terms, but Welsh Government and the National Office must ensure that commissioning and contracting practice enables providers to pay for all working time and offer workers secure and predictable income.

In conclusion, the Homecare Association wants the SCNB to succeed and stands ready to work constructively with Welsh Government and sector partners to make it workable. A properly designed and fully funded Fair Pay Agreement could make a meaningful difference to a historically undervalued workforce. But that will happen only if pay negotiations are matched by clear action on funding, commissioning and market design.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. We publish responses anonymously and your name and contact details will not be included. If you would like your name or other details published alongside your response, please let us know when you submit your response, and we will include them.

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