A new deal for Social Care: A new deal for the workforce

Changing the world of work for good

Executive Summary

The case for reform

The social care system is a vital part of our economic infrastructure. We have seen throughout the pandemic the cost of neglecting it.

The sector has long been a marker for all that is wrong with the current approach to delivering public services: government inaction, chronic lack of investment, privatisation and deregulation have led to an under-funded and under-supported system of care. During the pandemic, this led to tragic consequences for those receiving care and those providing it.

The case for reforming our care infrastructure is irrefutable.

Staffing is the single biggest challenge facing adult social care: a fractured, majority female workforce, delivering an essential public service, on low pay with high levels of job insecurity. At any one time, the sector has approximately 122,000 vacancies. [1] TUC analysis shows seven out of 10 care workers earn less than £10 per hour.[2] 24 per cent of the sector are employed on zero-hours contracts. [3] This increases to 43 per cent when just accounting for the domiciliary care workforce.

Turnover in the sector is higher than the average at a rate of 30.4 per cent, equivalent to approximately 430,000 leavers over the year. The cumulative cost of losing experienced, skilled and compassionate staff for employers and those receiving care is immeasurable.

Yet, social care is one of the most important sectors in our economic infrastructure, contributing at least £46.2 billion to the economy and representing 6 per cent of total UK employment.[4] With an ageing population and surge in care needs stemming from the pandemic, it is an area with huge jobs growth potential. Skills for Care estimate the sector will need to recruit 520,000 extra jobs nationally by 2035 to keep up with the ageing population.[5]

We need a new deal for care and a new deal for the care workforce.

No new settlement for care without a new deal for the care workforce

We can transform the way we deliver care in this country by transforming the pay and conditions of the workforce. That starts with pulling care workers out of poverty and guaranteeing a new sectoral minimum wage of at least £10 per hour.

New analysis by Landsman Economics for the TUC shows the cost of doing so is affordable. The gross cost of a new minimum wage is £434 million, with a net cost of £227 million because of increased tax revenue and reduced benefit spend.

Recent TUC analysis showed that it takes care workers in the private sector an average of 12 weeks to earn what the average highest paid director at some of the biggest providers earns in

[1] Skills for Care (2020) The state of the adult social care sector and workforce in England (skillsforcare.org.uk)
[2] TUC (2021) TUC: 1 in 3 key workers earn less than £10 an hour | TUC
[3] Skills for Care (2020) The state of the adult social care sector and workforce in England (skillsforcare.org.uk)
[4] ibid
[5] ibid

just one day.[6] Ending the profiteering and for-profit model in care is important to make sure that the money invested in the system goes to those receiving and delivering care.

New analysis by the TUC shows the introduction of a sectoral minimum wage would transform the lives of one in three care workers, 580,000 workers in total. These are the same care workers that have been on the frontline of caring for our communities during the pandemic, risking their lives to care for our loved ones. It is only right that we show our appreciation through decent pay and working conditions rather than through applause or badges.

Given their overrepresentation in the lowest paid areas of care women, black and ethnic minority (BME) workers and care workers in the West Midlands, North West and South East would stand to gain the most.

- 492,000 women working in social care would benefit
- 129,000 BME care workers would benefit; and
- 81,000 care workers in the West Midlands, 78,000 in the North West and 67,000 in the South East would see their pay rise.

The wealthy should pay their fair share towards fixing our social care system

We can afford to transform the pay of care workers. The best way to ensure a sustainable economy is to invest in decent work. But to meet the new costs of delivering decent social care we should ask everyone in our society to make a fair contribution to a service which benefits us all.

At the moment the money you make from working is taxed at a higher rate than the money you make from selling shares or a second home. The average care-home worker can pay a bigger share of her income in tax to fund the social care system than the private equity magnate who profits from buying up care homes to re-sell them. That's helped the rich get richer in recent years – with the wealth gap between the average family and the top ten per cent rising by an extra £44,000 in the pandemic alone.

Part of the funding for a new social care system should come from starting to tax wealth on the same basis we tax income. IPPR estimate that equalising Capital Gains Tax rates with income tax rates and removing exemptions could raise, on average, up to £17bn a year. That should be a down-payment on the investment we need to ensure our social care system delivers for everyone. And it would be a fairer way to raise revenue than a National Insurance increase which would have a disproportionate impact on young and low paid workers, but no impact on those earning money from property or shares.

A new vision for care

Alongside the introduction of a new sectoral minimum wage, the TUC wants to see government take concerted action to fix the recruitment and retention crisis in care – the single biggest challenge facing the sector. A new workforce strategy must ensure all care workers are employed

[6] TUC analysis of director pay at care providers https://www.mirror.co.uk/news/politics/struggling-frontline-carers-308-week-24839008

on good terms and conditions, have security and dignity at work, and a recognition of their skills and pathways to progress their career. The way to achieve that is through sectoral collective bargaining.

Sectoral collective bargaining provides a mechanism for negotiating standards of pay, pensions, terms and conditions and enables fair and equal representation for employers and trade unions, ensuring a fairer share of productivity gains, better pay and terms and conditions and working practices.

Establishing a national care body, with representatives from trade unions, employers and government, would enable all parties to negotiate and agree on a range of issues that would set standards across the sector, including:

- Pay and progression, with pathways to progress and retain workers and pay structures linked to skills, experiences, qualifications and job roles
- Working time and holidays, with a right to minimum guaranteed hours; holiday allowance and pay
- Work organisation, with agreement on safe staffing levels, sick pay and health and safety
- Training and development, agreeing on skills and qualifications that recognised across the sector and paid time off for workers access training opportunities

Towards a new deal for social care

TUC's plan for a new sectoral minimum wage and a new workforce strategy would be an important first step in the government's promise to fix social care. By reforming how we tax the wealthy and guaranteeing care workers are paid a fair day's wage, we can ensure high quality care for those who need it and high quality work for those who provide care.

Introduction

During the pandemic, those in need of care and those providing care bore the brunt of years of underfunding and government inaction, with tragic consequences.

Our social care system is based on a fragmented provider market - driven by the bottom line rather than community need, encouraging short-term commissioning and leading to poorer care outcomes for those in receipt of care.

The dependency on agency staff and zero-hours contracts – driving low pay and poor terms and conditions across the sector – and the difficulty of getting a handle on testing in a broken, fragmented system, meant the virus spread rapidly through residential homes and to vulnerable people in their own homes. The government's policy of discharging NHS patients into care homes without testing and a shortage of adequate PPE accelerated this.

Between 2 March and 12 June 2020, 28,186 "excess deaths" were recorded in care homes, with 18,500 deaths confirmed as coronavirus related.[7] Care workers were twice as likely to die from Covid-19 as non-key workers, with Black and ethnic minority (BME) care workers particularly at risk.[8]

The root cause of the workforce challenges is the underfunding of care by government. Cuts to local authority budgets – the main source of funding for social care – since 2010 has restricted local authority expenditure. TUC analysis revealed between 2010/2011 and 2018/19, social care spending fell by nearly £600m in England, representing an average reduction of £37 per head, despite the increases in demand from an ageing population with increasingly complex care needs.[9]

As a result, the cost of care is passed onto individuals, their families and other public services. At least 1.5 million adults in the UK have unmet social care needs placing huge strains on other public services such as the NHS.[10] One in four workers juggle paid work with unpaid care, with the number of people providing unpaid care rising by a third during the pandemic, from 9.1 million to 13.6 million.[11] The vast majority of those providing unpaid care are women and many have to reduce their time in paid work or leave the workplace altogether in order to have time to care.

As we set out in our 'Fixing Social Care report',[12] the government should take urgent action to:

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7 ONS (2021) Deaths involving COVID-19 in the care sector, England and Wales - Office for National Statistics (ons.gov.uk)

8 ONS (2020) Coronavirus (COVID-19) related deaths by occupation, England and Wales: deaths registered between 9 March and 25 May 2020 (https://bit.ly/3kPZHp0)

9 TUC (2020) Fixing Social Care

10 Age UK

11 Carers UK (2020) Carers Week 2020 Research Report: The rise in the number of unpaid carers during the coronavirus (COVID-19) outbreak, available at https://www.carersuk.org/images/CarersWeek2020/CW_2020_Research_Report_WEB.pdf Carers Week 2020

12 TUC Fixing Social Care (2020) https://www.tuc.org.uk/research-analysis/reports/fixing-social-care

i) Implement a new funding settlement that fully offsets the cuts of the past decade and establishes future rises at a level that allows local authorities to meet rising demand

ii) Take action to provide immediate funding to fill all 120,000 social care vacancies

iii) Ensure fair pay and conditions for care workers ending zero-hours contracts, the lack of proper sick pay and providing a new sectoral minimum wage of at least £10 per hour

iv) Creating a new Social Care Forum bringing together government, unions, employers, commissioners, providers and care recipients to coordinate the delivery and development of services, and the negotiation of a new workforce strategy

v) Reduce the role of private sector providers, phasing out the for-profit model of care to stop public money leaking out into private profit

vi) Publish a plan by the end of 2021 to create a universal care service free at the point of use by 2030

The government have a once in a generation opportunity to do this. With investment from fair reforms to capital gains tax, set out in detail below, we can create a social care system that is properly funded, democratically accountable, has genuine parity of esteem with the NHS and can enforce sector-wide standards for both service users and workers, ultimately ensuring decent and secure work for all.

A new sectoral minimum wage

The cost of care is falling on those who can least afford it

The pandemic has shown us how essential social care is to our society. The workforce has gone above and beyond to care for society's most vulnerable, who have been particularly exposed to coronavirus thanks to long-term structural weaknesses in the sector compounded by bad government decisions. Laid bare for all to see is just how undervalued, underpaid and exploited this majority female and disproportionately BME care workforce is.

This is not a new debate. Indeed, when the current Prime Minister, newly elected, first stood on the steps of 10 Downing Street in 2019, he made fixing social care the test of his premiership.[13] To date, no action has been taken nor plan published.

The cost of inaction is falling on those who rely on the care system, in the form of spiralling individual care costs, erosion of the human rights of disabled and older people and a growing reliance on unpaid carers. The crisis must mark a turning point.

Whilst fixing social care requires a long-term plan, there are steps government can take now to resolve some of the sector's biggest challenges. Raising care workers pay by setting a new sectoral minimum standard would transform the lives of those receiving and delivering care and be a down payment on future change.

A new sectoral minimum wage would transform the lives of those receiving and delivering care

Increasing pay to a minimum of £10 per hour would have a net cost to the Treasury of £227 million. As a result, 580,000 social care staff would see their pay rise immediately. The majority of those are women, with almost half a million women (492,000) standing to gain from such a rise. BME workers would benefit too, with 129,000 seeing their pay rise.

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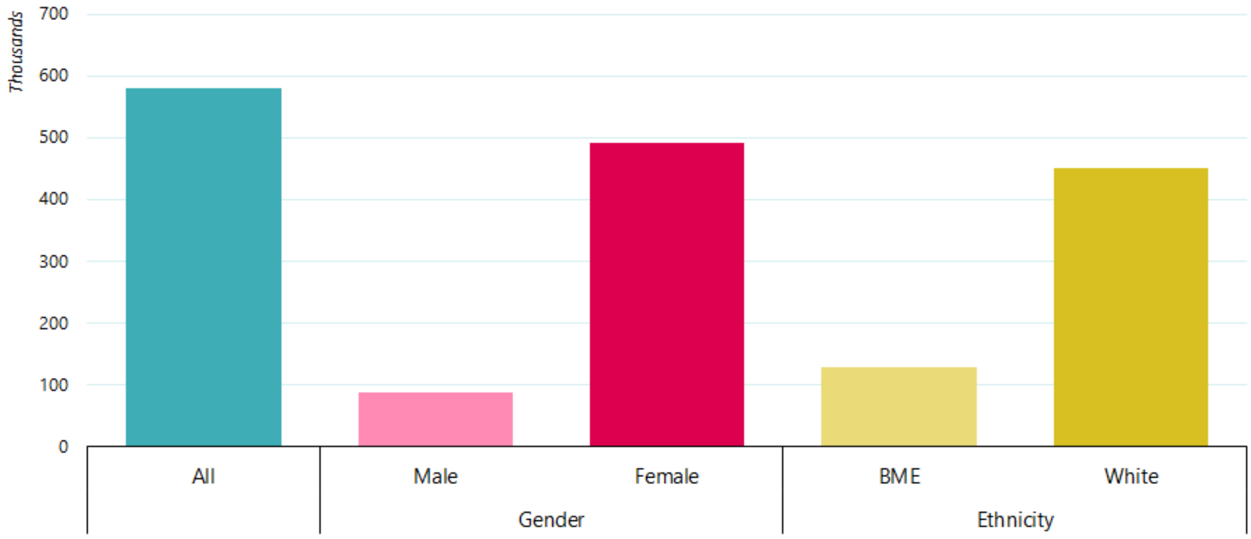
[13] Boris Johnson promises to fix social care once and for all https://www.homecare.co.uk/news/article.cfm/id/1612718/prime-minster-boris-johnson-says-we-will-fix-the-crisis-in-social-care-once-and-for-all

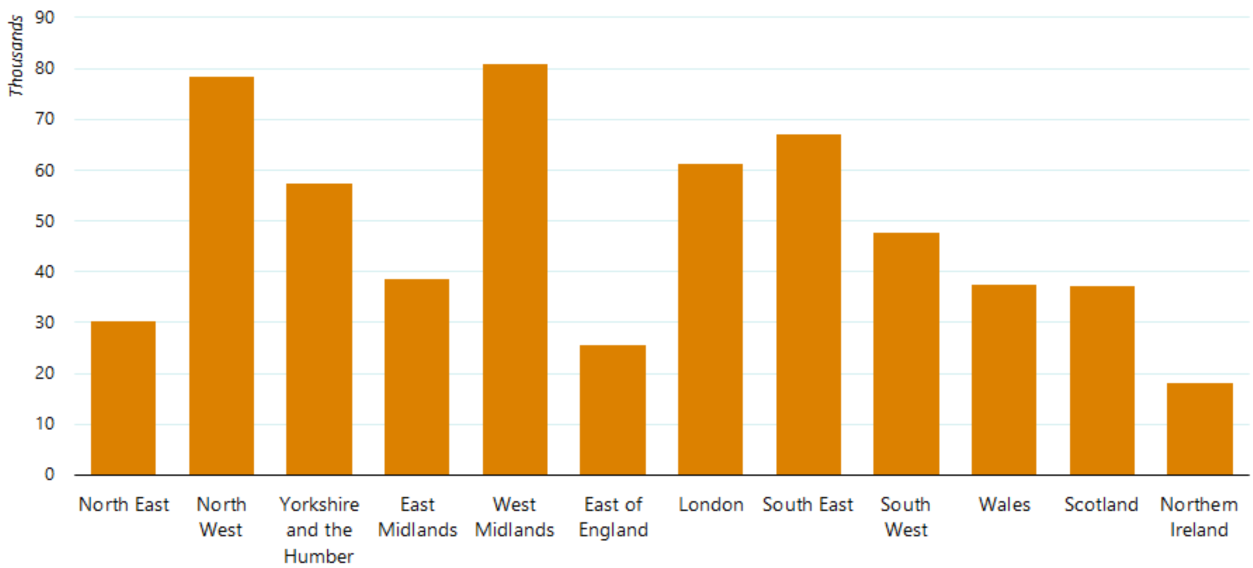
Number of social care workers who would benefit from a £10 minimum wage



Source: Landman Economics analysis on behalf of the TUC

TUC analysis of Labour Force Survey data shows that 'Care workers and home carers' is the largest occupation group in the UK, and is the largest in the majority of regions and nations. The rise in pay would benefit regions and nations across the UK, with workers in the West Midlands, North West and South East gaining most.

Number of social care workers who would benefit from a £10 minimum wage



Source: Landman Economics analysis on behalf of the TUC

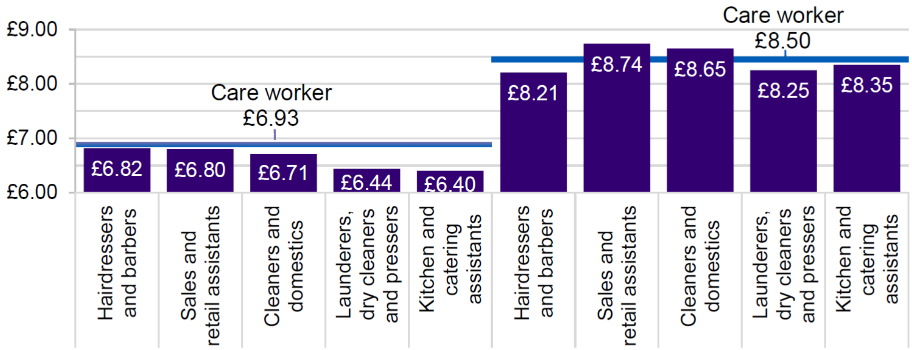
Raising pay would help tackle the single biggest challenge in care - recruiting and retaining staff. Skills for Care analysis shows that there are 122,000 vacancies in adult social care, whilst turnover of staff is 30.4 per cent[14]. Turnover rates are higher amongst low paid care workers than higher paid care workers. Even where care workers remain in the sector, precious time, money and resources are spent having to recruit and train new staff.

A recent report from The Work Foundation and Total Jobs shows that of the top reasons for workers leaving the sector, 51 per cent cited wanting higher pay.[15] The report showed increased interest in working in the sector during the pandemic, possibly as employment opportunities in other sectors such as hospitality decreased. However, low pay was fuelling a negative perception of care work as low-skilled and less favourable comparisons to pay and terms and conditions in the NHS served to lessen the status of this work. [16]

Further evidence of the impact on pay on workforce retention is shown in the UK Home Care Association survey, with providers reporting that pay and unattractive terms and conditions were the biggest factor affecting capacity to retain staff (37 per cent citing this), followed by competition with other low paying sectors such as retail at 22 per cent.[17]

Evidence on pay demonstrates care workers aren't rewarded for the work they do, or fairly renumerated for their skills and experience. Since March 2016, the pay gap for experienced care staff compared to new starters has fallen from 30p per hour to just 12p.[18] At the same time, comparisons to other low paying roles shows that median hourly pay in private sector roles elsewhere had caught up to care worker pay, and surpassed them in others since 2012/13.[19]

Chart 9: Difference between the median independent sector hourly care worker pay in adult social care and selected low paying jobs across the whole economy
Source: Skills for Care estimates and ONS Annual Survey of Hours and Earning



[14] https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx
[15] Totaljobs and The Work Foundation report on recruitment and retention in social care https://www.totaljobs.com/recruiter-advice/a-third-of-uk-jobseekers-would-consider-working-in-social-care-a-guide-for-taking-action-to-improve-recruitment-retention-and-progression
[16] Totaljobs and The Work Foundation report on recruitment and retention in social care https://www.totaljobs.com/recruiter-advice/a-third-of-uk-jobseekers-would-consider-working-in-social-care-a-guide-for-taking-action-to-improve-recruitment-retention-and-progression
[17] UK Home Care Association survey https://ukhcablog.com/blog/shortage-of-careworkers-in-homecare/
[18] Skills for Care pay report 2020 https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/Pay-in-ASC-sector-2020.pdf
[19] Ibid

A system of high-quality care and high-quality work is possible

In addition to low pay, work in the care sector is characterised by high levels of job insecurity, widespread abuse of employment rights and limited development opportunities. Poor pay and working conditions are bad for those delivering care and those receiving it.[20]

High turnover undermines the quality of care people receive, with inconsistent staffing limiting providers ability to deliver person-centred care. The underfunding of care that results in wage suppression also leads to the commissioning of care services focused on a production line of task-to-time slots rather than what the cared for person needs. This results in high levels of unmet need.

We need a system of social care based on meeting people's needs, rather than the bottom line. That starts with paying those providing care a fair day's wage for a fair day – or night's – work. To enable that, we need a plan to properly fund social care.

[20] Dromey and Hochlaf. Fair care: a workforce strategy for social care. Institute for Public Policy Research, November 2018.

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The wealth gap has been rising

Over the last decade, the average worker has experienced the longest pay squeeze in living memory.[22] But while pay has stagnated, wealth has been rising, particularly for those at the top.

Research by the Resolution Foundation shows that over the past forty years, total wealth has increased from three times national income in 1980 to around seven times national income on the eve of the pandemic. That wealth hasn't been shared equally. The typical family in the richest 10 per cent of households had £1.3 million more in wealth per adult than the typical family in the fifth decile of the wealth distribution – an increase of 50 per cent in the wealth gap between 2006-8 and 2016-18. The pandemic has only added to that inequality. The Resolution Foundation's research shows the gap between the wealth of the average family and that in the top ten per cent growing by an extra £44,000 between February 2020 and May 2021.[23]

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[21] One piece of tax advice explicitly references care homes as a place where 'investors relief' – meaning CGT is paid at 10 per cent – might be useful: "The relief is especially useful in the following circumstances:…. in attracting investment into unlisted companies whose trade is excluded from SEIS or EIS, (such as hotels, care homes, property development, etc) or where a company has outgrown those reliefs." See BDO 'Investors relief: how it works' (13 January 2021) at https://www.bdo.co.uk/en-gb/insights/tax/private-client/investors-relief-oct-2017

[22] See Geoff Tily (2018) *17-year wage squeeze the worst in 200 years* TUC available at https://www.tuc.org.uk/blogs/17-year-wage-squeeze-worst-two-hundred-years

[23] Jack Leslie and Krishan Shah (July 2021) *(Wealth) gap year: The impact of the coronavirus crisis on UK household wealth* Resolution Foundation, available at https://www.resolutionfoundation.org/publications/wealth-gap-year/

The tax system hasn't caught up

Our tax system hasn't caught up with that rise in wealth, with the Resolution Foundation showing that the tax rate on wealth has effectively more than halved over the past forty years in which wealth has been growing.[24]

One of the reasons for that has been the fact that some forms of wealth are taxed much more lightly than the tax on the income that you get from work.

One of the main forms of wealth tax is Capital Gains Tax - the tax paid on the sale or gift of assets that have increased in value. Several types of asset are exempt – including your main home. The Office for Tax Simplification (OTS) says that the main types of taxpayers subject to Capital Gains Tax are *"business owners – for example, holding shares in an unquoted trading company, investors – for example, holding a buy-to-let property, a second home or a portfolio of listed shares outside a pension or ISA, employees – for example, who participate in share schemes."*[25]

The OTS show that in the 2017-18 tax year, £8.3 billion of Capital Gains Tax was paid and £55.4 billion of net gains (after deduction of losses) reported by a total of 265,000 individual UK taxpayers. This compares with the £180 billion of Income Tax paid in 2017-18 by 31.2m individual taxpayers.[26]

The distribution of capital gains is skewed towards the wealthiest of the wealthy. The Resolution Foundation looked (in May 2020) at the 260,000 people (around 0.5 per cent of UK adults) making taxable gains in 2017-18 – equivalent to £210,000 each. They found that 62 per cent of the total (£34 billion) went to just 9,000 people who each realised over £1 million in gains.[27]

The already rich who benefit from capital gains get an additional benefit from the fact that they are taxed at lower rates on those gains than those who get their income from employment. The standard rate of capital gains tax is half that for income tax.

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Income tax status	Standard Income Tax rate	Standard Capital Gains Tax Rate	Residential property and carried interest Capital Gains Tax Rate	Business Asset Disposal Relief rate and Investors' Relief
Basic rate	20%	10%	18%	10%
Higher rates	40/45%	20%	28%	10%

Source: Office for Tax Simplification

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[24] Jack Leslie and Krishan Shah (July 2021) *(Wealth) gap year: The impact of the coronavirus crisis on UK household wealth* Resolution Foundation, available at https://www.resolutionfoundation.org/publications/wealth-gap-year/

[25] Office of Tax Simplification (2020) *Capital Gains Tax review – first report: Simplifying by design* available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935073/Capital_Gains_Tax_stage_1_report_-_Nov_2020_-_web_copy.pdf

[26] Office of Tax Simplification (2020) *Capital Gains Tax review – first report: Simplifying by design* available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935073/Capital_Gains_Tax_stage_1_report_-_Nov_2020_-_web_copy.pdf

[27] Adam Corlett, Arun Advani & Andy Summers (May 2020) *Who gains? The importance of accounting for capital gains* available at https://www.resolutionfoundation.org/app/uploads/2020/05/Who-gains.pdf

IPPR showed in 2019 how the combination of these rates with exemptions can mean that someone on an income of around £15,000 who received a £20,000 payrise, would see 32 per cent of that taxed. If she sold a second home, just 7 per cent of it would go in tax. High earners also see a significant discrepancy in the tax they pay depending on whether additional income comes from earnings or capital gains. Someone earning £100,000 a year would see 62 per cent of a £20,000 pay rise taken in taxation. But if she received £20,000 profit from the sale of a second home, just 11 per cent of this would be taxed.[28]

It's time for the wealthy to pay their fair share

Taxing wealth on the same basis as income – aligning the Capital Gains Tax rates with those in income tax could help raise the sums we need to invest in the care system we deserve.

Estimating exactly how much this change would raise is complex.

The Office for Tax Simplification suggest that aligning Capital Gains Tax rates with Income Tax rates could theoretically raise an additional £14bn a year, before accounting for behavioural effects.[29]

In 2019, the IPPR estimated that removing the annual exemption (at the point of analysis the first £12,000 of capital gains were not taxable, this has now risen to £12,300) and taxing all capital gains at the same rates as income could raise up to £68bn over 4 years, or up to £17bn annually.[30] Design choices – including whether people should pay tax on the value of an asset that has accrued due to inflation – could reduce this amount. But it is clear that there are significant revenues available to the Exchequer, which could provide a down payment on the system of social care we all need.

Aligning capital gains tax with income tax rates could have other benefits too, including eliminating complex employment structures. As the OTS put it, "*A greater alignment of rates would create a more neutral tax system, in which people were left free to make the right decisions for their business or family without the complexity of having to worry about unwittingly stumbling across the wrong side of a boundary.*"[31]

And it's clear that asking the wealthy to pay more would be fairer than putting up National Insurance contributions – one idea apparently being floated as a way to invest in social care.[32] National Insurance is paid only on earnings – not on any other form of income. That means it doesn't affect those who earn their money from assets at all[33] - taxing the working poor rather than the wealthy. It's also less progressive than other forms of tax, with national insurance rates

[28]Shreya Nanda and Henry Parkes (2019) *Just tax: reforming the taxation of income from wealth and work* available at https://www.ippr.org/files/2019-09/just-tax-sept19-summary.pdf

[29] Office of Tax Simplification (2020) *Capital Gains Tax review – first report: Simplifying by design* available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935073/Capital_Gains_Tax_stage_1_report_-_Nov_2020_-_web_copy.pdf

[30] Shreya Nanda (2019) *Reforming the taxation of income from wealth: revenue estimates for Labour, the Conservatives and the Liberal Democrats* IPPR available at https://www.ippr.org/files/2019-11/capital-gains-tax-briefing.pdf

[31] Office of Tax Simplification (2020) *Capital Gains Tax review – first report: Simplifying by design* available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935073/Capital_Gains_Tax_stage_1_report_-_Nov_2020_-_web_copy.pdf

[32] See, for example, Steven Swinford (July 20th 2021) 'Rise in national insurance to pay for Tories' social care reforms' *The Times*, available at https://www.thetimes.co.uk/article/rise-in-national-insurance-to-pay-for-tories-social-care-reforms-mkkh6njnz

[33] See Torsten Bell and Adam Corlett (21st July 2021) *A caring tax rise? The potential impact of an increase in National Insurance* at https://www.resolutionfoundation.org/publications/a-caring-tax-rise/

falling on income above a certain level (from 12 per cent for earnings between £9500 and £50,000 to 2 per cent on earnings above that level). And because employers who contract with workers on a self-employed basis rather than employing them don't pay employers National Insurance (at a rate of 13.8 per cent), a raise in NI rates for employers could be a further incentive to push people into false self-employment. Our current National Insurance system would not raise revenue in a fair way.

A plan for social care must go beyond a cost cap

Fixing social care requires ambition, a long-term plan and a commitment to delivery that extends beyond any single Parliament. The present system carries with it significant risk to individuals. Any of us might require social care and how high the costs might be is unknown. Many, with homes and assets, worry they would be forced to sell them and about their future.

Removing such worry is important. Throughout the pandemic we have seen, amidst the significant challenges and tragedy, what social care is about at its best – a collective supporting each other to live their lives. Reducing the threat to individuals and collectivising it is important.

On its own, a cap on costs does not fix the structural issues affecting social care. Instead, it answers a decade old question - how to address spiralling costs for individuals. Proposals to do so need to be fair and to sit alongside increased investment and wider reform. And that reform must focus on tackling tackle the growing problem of unmet care needs. The scale of the problem is huge - estimates state there are 1.5 million older adults with unmet care needs.[34] The figure is set to rise to 2.1 million by 2030 if government fail to take decisive action.

With requests for social care support continuing to grow,[35] investment in care should be targeted at where it is needed most. The TUC estimates that it would cost the Treasury £230 million to give all care workers £10 an hour. The remaining £16 plus billion increased revenue from capital gains tax reforms could be invested into improving services.

Investment should focus on fully offsetting the cuts made to local authority budgets in the previous decade and establish future funding rises at a level that will allow local authorities to meet rising demand and improve pay and conditions for staff.

The long-term aim for investment should be for adult social care as a universal service, free at the point of use, and paid for from general taxation. This would remove arbitrary and unfair eligibility thresholds, relieve unpaid carers of their invisible labour, deliver higher quality care, deliver sustainable funding and ensure true accountability and transparency to the public.

[34] Age UK on unmet care needs https://www.ageuk.org.uk/latest-press/articles/2019/november/the-number-of-older-people-with-some-unmet-need-for-care-now-stands-at-1.5-million/
[35] https://www.kingsfund.org.uk/publications/social-care-360/access

Public support for reforming social care

Recent TUC polling by Britain Thinks,[36] supports the calls for improved pay and conditions for workers, and how we achieve this.

Polling showed:

- 95% agreed that care workers do a valuable job in UK society.
- 9 in 10 workers (88%) feel that more should be done to ensure social care staff have job security and improved working conditions
- 86% believe that improving working conditions would improve the quality of care
- 4 out of 5 (83%) think that care workers should be paid at least £10 per hour
- Three quarters (76%) think that investment in social care should match investment in the NHS
- A majority (55%) would support paying more taxes to fund improvements.

Collective bargaining should drive future improvements

Improving pay is an important step government can take immediately that would give workers a minimum wage that they can live on and rewards them fairly for their work. Beyond this, it is vital government do more than give an ongoing commitment to reforming social care, we need a long-term plan to do so, backed up by funding, with work beginning on delivery by the end of this parliamentary term.

Taxation, as we have set out, can give government the funds to deliver the social care system we want and need. Alongside this, the government must set out plans to ensure that delivery happens and improvements to the working conditions are made.

For too long, the social care system has been the poorer cousin of the NHS. Far from having fair and nationally negotiated pay and working conditions, as happens in the health service. Skills and expertise go unrecognised, in the absence of a formal grading structure and strong collective voice.

In our Fixing Social report published one year ago[37], we called for a national care body, made up of government, trade unions, employers and commissioners, to be established. This would mirror the NHS Social Partnership forum, and likewise would be able to develop and negotiate a workforce strategy for social care.

Calls for a people plan for social care have also been made by the Health and Social Care Select Committee, noting the disparity felt by social care staff compared to NHS counterparts who have such a plan with clear pledges.[38]

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[36] Unpublished polling conducted by BritainThinks for TUC. 2,203 workers in England and Wales between 12 and 21 July 2021.
[37]TUC Fixing Social Care (2020) https://www.tuc.org.uk/research-analysis/reports/fixing-social-care
[38] Health and Social Care Select Committee report https://publications.parliament.uk/pa/cm5802/cmselect/cmhealth/22/2202.htm

Beyond a People Plan, similar to the NHS, there is a need for greater parity with the NHS and equivalent public sector bodies for those working in social care. Pay for most social care staff is not aligned with equivalent roles in local authorities or the NHS.

Just 7 per cent of adult social care staff are employed directly by local authorities, with 7 per cent in the NHS, with remaining 1.3 million working for private providers and individuals. Recent analysis shows that frontline care workers would be paid as much as £7,000 more if they worked in equivalent roles in other areas of the public sector.[39]

There's support from across the sector for bringing parity of esteem with the NHS, with Age UK[40], the Future Social Care Coalition[41] and Care England[42] making similar calls.

Whilst trade unions and bodies representing care recipients are in agreement, there remains an absence of leadership from government on these issues. To move this agenda forward, introducing a national care body would allow for the development of sectoral standards.

Establishing a sectoral body

On top of immediately boosting the pay of care workers to a minimum of £10 per hour, the government should establish the national care body as we have set out as soon as possible. Such a body would be able to work with government on their long-awaited plans for social care, ensuring that it is fit for purpose and delivers what is needed.

For the social care workforce, this should include setting minimum standards of employment, including:

- Pay and pensions – beyond £10 per hour, agreeing pay structures that pay staff properly for all hours worked, including overnight sleep-ins and travelling time between appointments and clients. There should also be transparent pay and grading structures, that allow for progression and reward fairly staff according to skills, experience and qualifications. There should be access to pension schemes and other terms and conditions, on parity with the NHS.
- Working time and holidays – including a right to minimum guaranteed hours to tackle the problems of zero hours contracts and other insecure employment. Holiday allowance and pay
- Equality issues – including maternity and paternity pay and leave, carers leave and a right to flexible working
- Health and safety – including agreed standards on health and safety, appropriate training workforce engagement through trade union committees, agreed standards for safe staffing levels and sick pay.
- Grievance and disciplinary process – including the right to trade union representation.
- Training and development – including registration of social care workers (with costs met by employers), skills recognition linked to pay and progression, agreed standards for training to ensure consistency and a right to paid time off to attend training.

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[39] Community Integrated Care report 'Unfair to Care' https://www.unfairtocare.co.uk/
[40] Age UK report on NHS parity for social care workershttps://www.ageuk.org.uk/latest-press/articles/2020/11/in-from-the-cold/
[41] Future Social Care Coalition calls for workforce plan and NHS parity https://futuresocialcarecoalition.org/
[42] Care England calls for parity of esteem with NHShttps://www.careengland.org.uk/news/care-england-calls-parity-esteem-between-nhs-and-social-care-workforce

- Work organisation, including the introduction of new technologies and ways of work – including involvement of staff in organising rotas and teams and a requirement to consult with staff over changes to workforce.

A trade union vision for social care

The TUC's vision for care, backed up a practical pathway to implementation, would enable every person to be able to access the high-quality care services they need in every part of the country, no matter what their circumstance. A new sectoral minimum wage and a people's plan for care would ensure all care workers to receive good pay, terms and conditions, have security and dignity at work, and a recognition of their skills and pathways to progress their career.

A social care system that supports everyone to provide high-quality care, and to receive it, is possible. As the TUC has set out in this paper, this can be achieved through a collective, needs-based approach to care, with collective provision and progressive taxation that moves us closer to a universal service for care.