



City of Westminster

Committee Agenda

Title:

Vulnerable Adults, Health and Communities Policy and Scrutiny Committee

Meeting Date:

Monday 4th December, 2023

Time:

6.00 pm

Venue:

Rooms 18.06-08, 18th Floor Meeting Rooms. Westminster City Hall, 64 Victoria Street, SW1E 6QP

Members:

Councillors:

Concia Albert (Chair)
Gillian Arrindell
Robert Eagleton
Lorraine Dean

Mark Shearer
Selina Short
Hamza Taouzzale



Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda

Admission to the public gallery is by ticket, issued from the ground floor reception. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.

If you require any further information, please contact the Committee Officer, Linda Hunting.

lhunting@westminster.gov.uk

Corporate Website: www.westminster.gov.uk

Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Head of Committee and Governance Services in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. ELECTION OF CHAIR

To elect a temporary Chair of the Committee.

2. MEMBERSHIP

To note any changes to the membership.

3. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

4. MINUTES

The minutes of the Climate Action, Housing and Regeneration Policy and Scrutiny Committee meeting on 12 September 2023 will be reviewed at the Vulnerable Adults, Health and Communities Policy and Scrutiny Committee's next meeting on 18 January 2024.

**5. CALL-IN OF CABINET MEMBER DECISION ENTITLED:
INCREASING HOME CARE WORKERS' PAY FOR A FAIRER
WESTMINSTER**

To review the Cabinet Member Decision entitled 'Increasing home care workers' pay for a Fairer Westminster' after the decision was called in by three Members of the Vulnerable Adults, Health and Communities Policy and Scrutiny Committee.

(Pages 3 - 22)

**Stuart Love
Chief Executive
4 December 2023**



City of Westminster

Vulnerable Adults, Health and Communities Policy and Scrutiny Committee

Date of meeting:	Monday 4 December 2023
Classification:	Part Exempt – Appendix A is exempt under Paragraph 3, Section 12A of the Local Government Act 1972
Title:	Call-in of Cabinet Member Decision entitled 'Increasing home care workers' pay for a Fairer Westminster'
Report of:	Bernie Flaherty, Bi-Borough Executive Director of Adult Social Care and Health, and Deputy Chief Executive
Cabinet Member Portfolio	Cabinet Member for Adult Social Care, Public Health and Voluntary Sector
Wards Involved:	All
Policy Context:	Fairer Westminster (Fairer Communities and Fairer Council pillars)
Report Author and Contact Details:	Gareth Wall, Bi-Borough Director of Integrated Commissioning, gwall@westminster.gov.uk

1. Executive Summary

- 1.1. This report informs the Committee of the call-in of the decision made by the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector to approve the Cabinet Member Decision entitled 'Increasing home care workers' pay for a Fairer Westminster'.
- 1.2. The decision report was approved by the Cabinet Member on 27 November 2023 with the call-in period due to expire at 5pm on 4 December 2023. On 1 December 2023 Cllrs Dean, Shearer and Short indicated that they wished to call the decision in. These three Councillors are all Members of the Vulnerable Adults, Health and Communities Policy and Scrutiny Committee and thus the call-in is legitimate and shall be heard by that Committee.

- 1.3. The Chief Executive as Proper Officer was notified on the same day. The Chief Executive has activated the call-in and summonsed a meeting of the Vulnerable Adults, Health and Communities Policy and Scrutiny Committee for Monday 4 December 2023 in consultation with the Chair of that Committee, Councillor Albert.
- 1.4. Call-in provisions exist to enable Members to temporarily halt the implementation of a decision when they believe that decision needs to be revisited. Members are required to give reasons for call-in. Generally, call-ins may be activated for three reasons: Members:
- believe the decision may be contrary to the normal requirements for decision-making;
 - believe the decision may be contrary to the Council's agreed policy framework and/or budget;
 - need further information from the decision-taker to explain why the decision was taken.
- 1.5. In requesting that this decision was called in, Members activating the call-in provided the following reasons:
1. *Our Homecare workers provide some of the most important services in our city, going into the homes of the most frail and vulnerable residents and providing essential support. It is absolutely right that they are paid fairly and the Conservative administration, when letting the original contracts, worked hard within the framework of procurement law to ensure workers were paid the London Living Wage.*
 2. *We fully support the principle of paying Homecare workers more and where reasonably possible. However, we believe this increase should be properly funded through the base budget of the Council rather than through a one off Government grant (The Market Sustainability Grant), which may or may not be extended. Moreover, the increase should be funded by efficiency savings elsewhere, not least the departments not delivering public facing services.*
 3. *We request to see the legal advice behind this decision, to ensure the increased funding goes to Homecare workers' wages in its entirety. We also have concerns the relevant companies haven't been formally consulted on this issue or agreed the way forward.*
 4. *Finally, we would welcome a comment from the Executive Director for Finance, asking why this was considered the best route to fund the Homecare workers pay rise.*
- 1.6. The Committee may choose to refer the matter back to the decision maker(s) with reasons for their reconsideration. This would require the decision maker(s) to reconsider and, within 10 working days, or as soon as possible thereafter, either amend the decision or not before adopting a final decision – this would require a further written report. If the Committee chooses not to refer the matter back to the decision maker(s), the decision shall take effect on the rising of the Committee.

2. Key Matters for the Committee's Consideration

- 2.1 It is recommended that the Committee reviews the decision outlined in this paper and agrees one of the following options:
- a) To note the decision made by the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector but take no further action.
 - b) To refer the matter back to the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, with specific matters for their reconsideration.

3. Background, including policy context

- 3.1. Homecare services help people to live independently at home. Homecare workers provide personal care and support that includes help with the activities of daily living such as washing, dressing, sharing reminders about medication, preparing food, and other tasks agreed as part of an individual's care plan.
- 3.2. Although providing personal care can be rewarding and is a vocation for many, there are times when people's behaviours, health conditions, and domestic environments present challenges for homecare workers.
- 3.3. The Council formally signed the Unison Ethical Care Charter in May 2023 to re-affirm the value of care workers and commit to improving their working conditions. Delivering on this commitment will also help with recruitment and retention in the sector, which in turn will help to maintain and improve the quality of care. Providing support for homecare workers also builds on existing Council initiatives that respond to the cost-of-living crisis.
- 3.4. The government's Market Sustainability and Investment Fund (MSIF) was created to enable local authorities to make tangible improvements to adult social care capacity. Local authorities can choose to use the funding to: increase fee rates paid to adult social care providers, increase adult social care workforce capacity and retention, and reduce adult social care waiting times. The grant is designed to attract care workers into the workforce and to support providers in building capacity and sustainability. It is expected, in turn, that use of the grant will lead to greater consistency of care for service users, lower staff turnover, and a positive impact on people from two protected characteristics groups (women and residents from a Global Majority background) by enhancing the pay of homecare workers.
- 3.5. In Westminster, turnover of homecare workers is currently 18%. Increased pay should help improve staff retention, leading to consistency of care. This is valued by service users, and it supports stability and reduced training costs for providers.

4. Financial Implications

- 4.1. The use of the MSIF Workforce Fund is considered to be an appropriate option for financing the homecare workers' pay increase in line with the grant objectives set by the Department of Health and Social Care.
- 4.2. The financial implications in the original decision report acknowledged that there is a risk of a funding reduction if the grant is not extended beyond financial year 2024/25. If this was to happen, then the expenditure will form part of the Medium-Term Financial Plan (MTFP) process and would be built into the Council's base budget, unless other alternative funding could be sourced. As part of the budget process savings options would be identified across the Council rather than placing the responsibility on one directorate.
- 4.3. Further, as highlighted in the Budget Task Group meeting held on 21 November 2023 there is increased scrutiny from central government on appraising adult social care budgets. If it does not see an increase in adult social care spending in line with expectations linked to the additional grant funding that has been allocated, then it will be seeking clarification from local authorities. This adds further weight to ensuring that the grants awarded are first fully utilised before considering efficiencies.

5. Legal and Governance Implications

- 5.1 The legal implications are set out in the Cabinet Member Report entitled 'Increasing home care workers' pay for a Fairer Westminster'.
- 5.2 The requested legal advice on this matter is set out in exempt Appendix A.

6. Carbon Impact

- 6.1. Officers anticipate the carbon impacts of this decision to be minimal since it entails a change to homecare workers' pay. However, in keeping with the Council's net zero ambitions and procurement policies, home care providers must demonstrate how they are meeting the Council's net zero goals. The actions they are undertaking include: mandatory recycling, encouraging staff to walk or cycle between appointments and carbon impact awareness training sessions.

7. Equalities Impact

- 7.1. No negative impacts on service users with protected characteristics are expected from this change. Positive impacts on women and residents from a Global Majority background are expected. 76.5% of patch homecare workers are female and 23.5% are male. 79% of patch homecare workers are from a Global Majority background. The investment will help address pay-related inequalities across both gender and ethnicity in Westminster.
- 7.2. Officers anticipate that the increase in homecare workers' pay could help improve job satisfaction, and support with recruitment and retention. This,

in turn, could help ensure the quality of care is maintained and/ or improved. Further, a stable workforce also contributes to continuity of care for service users, particularly those who are elderly and/ or have a disability.

- 7.3. The investment will also provide a positive impact for residents who are employed as homecare workers. For the providers that will receive this additional investment, 44% of their employed care workers live in Westminster at present.

8. Consultation and Engagement

- 8.1. Consultation with Ward Members is not necessary, as this will benefit residents across the borough and the impacts are not ward-specific.
- 8.2. There has been ongoing communication and engagement with the providers since August 2023. Officers engaged with the patch care providers extensively and regularly to plan, design, and implement the new pay arrangements for December 2023. There has been clear messaging with regards to the investment to ensure providers are able to consider impacts and inform their longer-term plans.
- 8.3. Providers have remained in agreement, are keen to be part of the initiative to support homecare workers, and have been working with officers to support this going live for December 2023.
- 8.4. Feedback from providers has included:
 - **“On behalf of City and County** we would like to say thank you to Westminster for the MSIF for our care workers which was offered to us. Care workers will be very grateful for the extra payments which will be processed to them under the funding and treat that as an appreciation of their hard work and commitment to Westminster residents”.
 - **Health Vision** shared: “On behalf of our dedicated team of front-line care workers I would like to thank you for the generous uplift in their wages. The timing just before Christmas will be most welcome and they will be delighted to know that it will remain in place for at least a year. We have a fantastic team of carers and I know how much they will appreciate this recognition of their hard work”.
 - **Verilife** shared: “We are encouraged to see some initial proactive effort towards supporting much needed increases to carers pay”
- 8.5. Through discussions about funding and payroll, providers are clear that the payment is directed at salaries per homecare worker and have agreed a mechanism through which this is captured: salary slips will clearly note this additionality, which can be monitored for assurance. Contract monitoring will help ensure the payments are being made directly to homecare workers, and case studies will support feedback loops.

- 8.6. Feedback from carers will be gathered and used to inform contract management to evidence impact.

**If you have any queries about this Report or wish to inspect any of the Background Papers, please contact Report Author,
Gareth Wall, gwall@westminster.gov.uk**

APPENDICES:

Appendix A – Legal advice (exempt)

Appendix B - Increase in homecare workers' hourly rate of pay Cabinet Member Report

Appendix C – Grants (exempt)

Appendix D – Statement of Decision

BACKGROUND PAPERS:

None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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City of Westminster

Cabinet Member Report

Meeting or Decision Maker:

Cabinet Member for Adult Social Care,
Public Health and Voluntary Sector

Date:

27 November 2023

Classification:

Part Exempt – Appendix A is exempt
under Paragraph 3, Section 12A of the
Local Government Act 1972

Title:

Increase in homecare workers' hourly
rate of pay

Wards Affected:

All

Policy Context:

Fairer Communities and Fairer Council

Key Decision:

Yes

Financial Summary:

Recommendation to spend
approximately £1.2m per annum on
carers pay from specified grant income.

Report of:

Bernie Flaherty, Deputy Chief Executive
and Executive Director of Adult Social
Care and Health

1. Executive Summary

- 1.1 This report outlines the proposal for a pay increase for homecare workers who work on block contracts and via direct payments of an additional £1.50 per hour, starting in December 2023. Any increase to the wages and salaries element of the hourly rate would be subject to the usual tax and National Insurance contributions.
- 1.2 This proposal aligns with the goals of the Ethical Care Charter that the Council signed in May 2023, and it is in line with the Fairer Westminster Strategy's ambitions.
- 1.3 This will emphasise the Council's commitment to tackling inequalities, particularly low pay in the care workforce, and providing high-quality adult social care services. It will also support investment into the carer market sector, developing market resilience, and supporting staff retention and recruitment. The use of the Market Sustainability and Investment Fund (MSIF) also supports the objective of the Department of Health and Social Care to invest into front line services to support market sustainability and infrastructure.

2. Recommendations

- 2.1 It is recommended that the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, in consultation with the Cabinet Member for Finance and Council Reform:
- (a) Agrees that the Council uses the MSIF to provide subsidy grants for paying homecare workers (who work on block contracts and via direct payments) an additional £1.50 (above London Living Wage) per hour for the period to which the grant applies, starting in December 2023.
- (b) Approves grants for the purposes outlined in (a) above for the period to which the grant applies, commencing December 2023 to the following providers:

HEALTH VISION UK LIMITED
Company Number 06407941
LONDON CARE LIMITED
Company Number 03117278
MIHOMECARE LIMITED
Company Number 03203080
VINCENTIAN CARE PLUS
Company Number 05321333
SMITHFIELD HEALTH & SOCIAL CARE LTD t/a VERILFE
Company Number 07522706

(c) Notes the estimated annual cost of £1.2m; the indicative amounts of the grants set out in Table 1 in the exempt Appendix A to this report; and that the actual amounts of the grants will vary based on the actual hours delivered.

3. Reasons for Decision

- 3.1 The increased pay will support the delivery of the Council's Fairer Westminster ambitions to tackle inequality, deliver high-quality adult social care services, and ensure its procurement is responsible. This will also help tackle low pay in the care workforce.
- 3.2 A Cabinet Member Decision is required in accordance with the Cabinet Terms of Reference due to the value of the decision.

4. Background, including Policy Context

- 4.1 Homecare services help people live independently at home, with care workers providing personal care and support that includes help with the activities of daily living, including washing, dressing, sharing reminders about medication, preparing food, and other tasks agreed as part of an individual's care plan.
- 4.2 Care workers usually visit multiple residents in their homes at different periods throughout the day. The job often requires lone-working, travel from one home to another, and sometimes gaps between caring appointments.
- 4.3 Although providing personal care can be rewarding and is a vocation for many, there are times when people's behaviours, health conditions, and domestic environments present challenges for care workers.
- 4.4 The value of this work to individuals and wider society is not matched by the economic value placed on the role of a care worker. However, recent Polling research from The Health Foundation and Ipsos found that the public's top priority for social care was improving pay and conditions for staff (42% of respondents).
- 4.5 The Council formally signed the Unison Ethical Care Charter in May 2023 to re-affirm the value of care workers and commit to improving their working conditions, which could also help with recruitment and retention in the sector and improving the quality of care. Moreover, improvement to the working conditions for care workers will supplement existing work that forms the Council's response to the cost-of-living crisis.
- 4.6 Compliance with the UNISON Ethical Care Charter supports multiple Fairer Westminster ambitions:
- Reducing poverty and inequality and making Westminster a healthier and more equitable place.
 - Providing excellent public health and social care services.

- Our procurement is responsible and ensures ethical treatment of people
- 4.7 The government's MSIF was created to enable local authorities to make tangible improvements to adult social care capacity. Local authorities can choose to use the funding to: increase fee rates paid to adult social care providers, increase adult social care workforce capacity and retention, and reduce adult social care waiting times. The grant will provide additional funds to attract care workers into the workforce and support providers to build capacity and ensure sustainability, which is an ambition of the funding from central government. It is expected, in turn, that it will lead to greater consistency of care for service users, lower staff turnover, and a positive impact on people from two protected characteristics groups (women and residents from a Global Majority background) by enhancing the pay of homecare workers.
- 5. Financial Implications**
- 5.1 The annual estimated annual value for this initiative is £1.2m per annum based on block homecare hours. The costs are based on analysis of activity delivered, and these reflect a high-end estimate to build in flexibility for managing costs. The actual costs incurred annually will be impacted by the volume of homecare hours prescribed each year. If implemented In December 2023, the costs for 2023/24 will be £400k followed by an annualised cost of £1.2m.
- 5.2 The costs are to be fully offset by central government funding announced in July 2023. The Council is in receipt of £2m per annum under the Market Sustainability Improvement Fund – Workforce Fund. Therefore, the grant funding will be sufficient to fund this initiative.
- 5.3 The Council's Medium Term Financial Planning (MTFP) assumes that this Market Sustainability funding will continue on a recurring annual basis. There is no explicit confirmation that the funding will continue beyond financial year 2024/25. However, based on past experience regarding social care funding announcements the financial risk of a funding cut in the near future is not deemed high at this stage.
- 5.4 If the financial risk of funding being reduced were to materialise then the anticipated costs will be built into the Council's future MTFP process; alternative funding would be sought or the continuation of the service reviewed as the costs cannot be absorbed as part of the Adult Social Care current budget. Continuation of this offer would be assessed as part of the Council's overarching MTFP review which prioritises resources in line with its Fairer Westminster priorities.
- 5.5 The pay rate of £1.50 is to cover homecare workers' basic pay and employer on-costs. This increase will help improve low pay in the care workforce and

help ensure residents continue to receive high-quality adult social care services.

6. Legal Implications

- 6.1 Section 1 of the Localism Act (the general power of competence) provides the necessary power for the Council to award the grants.
- 6.2 The grants fall within the definition of a subsidy under the Subsidy Control Act 2022 (the SCA) which has replaced the previous state aid regime. Accordingly, officers must carry out a subsidy control assessment prior to giving the grants to ensure that the grants are in accordance with the subsidy control principles set out in the SCA. Details of the subsidies must be published on the government's Subsidy Control Database within 90 days of the date of the subsidy.
- 6.3 Subsidies which are not given in accordance with the SCA will be considered to be unlawful subsidies and can be challenged in the Competition Appeal Tribunal. A successful challenge could result in a recovery order being made requiring subsidy recipients to repay the subsidy. In most circumstances, a legal challenge must be brought within one month of the date of publication of the required transparency information.
- 6.4 It is recommended that the Council enters to formal grant agreements with the providers.

7. Carbon Impact

- 7.1 Officers anticipate the carbon impacts of this decision to be minimal. However, in keeping with the Council's net zero ambitions and procurement policies, home care providers must demonstrate how they are meeting the Council's net zero goals. The actions they are undertaking include: mandatory recycling, encouraging staff to walk or cycle between appointments and carbon impact awareness training sessions.

8. Equalities Implications

- 8.1 No negative impacts on service users with protected characteristics are expected from this change. Positive impacts on women and residents from a Global Majority background are expected. Officers anticipate that the increase in home care workers' pay could help improve job satisfaction and retention. This, in turn, could ensure that they maintain and/ or improve the quality of care they deliver to service users, particularly those who are elderly and/ or have a disability.

9. Consultation

- 9.1 Consultation with Ward Members is not necessary, as this will benefit residents across the borough and the impacts are not ward-specific. Officers engaged with the block care providers extensively and regularly to plan,

design and implement the new pay arrangements in December 2023. Feedback from carers will also be gathered and used to inform contract management. Contract monitoring will support ensuring assurance of the payments being made directly to carers and case studies to support feedback loops.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Gareth Wall – gwall@westminster.gov.uk

APPENDICES

Appendix A – Grants (exempt from publication)

BACKGROUND PAPERS

- Background papers should list the documents on which the report author has relied in compiling the report.
- Confidential background papers (i.e. papers not available for public inspection) should have an asterisk against them and an indication of the grounds for exemption

For completion by the **Cabinet Member for Adult Social Care, Public Health and Voluntary Sector**

Declaration of Interest

I have no interest to declare in respect of this report

Signed: N. Butler-Thalassis Date: 27 November 2023
NAME: **Councillor Nafsika Butler-Thalassis**

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled

Increase in homecare workers' hourly rate of pay and reject any alternative options which are referred to but not recommended.

Signed: N. Butler-Thalassis

Cabinet Member for Adult Social Care, Public Health and Voluntary Sector

Date: 27 November 2023

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: INCREASING HOME CARE WORKERS' PAY FOR A FAIRER WESTMINSTER

Notice is hereby given that the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, has made the following executive decision on the above mentioned subject for the reasons set out below.

Summary of Decision

The Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, in consultation with the Cabinet Member for Finance and Council Reform, has:

- (a) Agreed that the Council uses the MSIF to provide subsidy grants for paying homecare workers (who work on block contracts and via direct payments) an additional £1.50 (above London Living Wage) per hour for the period to which the grant applies, starting in December 2023.
- (b) Approved grants for the purposes outlined in (a) above for the period to which the grant applies, commencing December 2023 to the following providers:

HEALTH VISION UK LIMITED
Company Number 06407941
LONDON CARE LIMITED
Company Number 03117278
MIHOMECARE LIMITED
Company Number 03203080
VINCENTIAN CARE PLUS
Company Number 05321333
SMITHFIELD HEALTH & SOCIAL CARE LTD t/a VERILFE
Company Number 07522706

- (c) Noted the estimated annual cost of £1.2m; the indicative amounts of the grants set out in Table 1 in the exempt Appendix A to this report; and that the actual amounts of the grants will vary based on the actual hours delivered.

Reasons for Decision

The increased pay will support the delivery of the Council's Fairer Westminster ambitions to tackle inequality, deliver high-quality adult social care services, and ensure its procurement is responsible. This will also help tackle low pay in the care workforce.

A Cabinet Member Decision is required in accordance with the Cabinet Terms of Reference due to the value of the decision.

**Stuart Love, Chief Executive,
Westminster City Hall,
64 Victoria Street
LONDON SW1E 6QP**

Publication Date: 27 November 2023

Implementation Date: 05 December 2023

Reference: ASCPHVS23-13