

COUNCIL MEETING 22 NOVEMBER 2017  
ITEM 14  
LABOUR AMENDMENT

***That the words underlined and inserted and those struck through are deleted as follows:***

This council acknowledges that there is a crisis in social care. Government has slashed council funding by more than 40% since 2010, much of this agreed under the Conservative/Liberal Democrat coalition, and as a result adult social care, which is the biggest single area of the council's controllable spending, is inevitably facing significantly reduced budgets. Added to this, although we very much welcome increasing numbers of older people living longer than ever, they often have more complex care needs in later life which require increased spending on more expensive care packages. However, despite the significant financial challenges as a result of the Conservative and Liberal Democrat austerity agendas, ~~this~~ Council is encouraged that in the process of recommissioning home care, the approach of the administration has been benchmarked against Unison's *Ethical Care Charter* [www.savecarenow.org.uk/ethical-care-charter](http://www.savecarenow.org.uk/ethical-care-charter)

This Council notes:

1. The objective of the Charter is to establish a minimum baseline for the safety, quality and dignity of care by ensuring employment conditions for care workers that a) do not routinely short-change clients and b) ensure the recruitment and retention of a more stable workforce through more sustainable pay, conditions and training levels.
2. Officers assess that the administration's commissioning approach meets all but 2 of the minimum standards set out in the charter and has met both Stage 1 and Stage 2 of the charter, with Stage 3 part achieved.
3. The two areas that the administration is not currently even-aimingable to meet due to a significant funding gap as a result of Conservative and Liberal Democrat cuts are:
  - Coverage by an occupational sick pay scheme (in excess of statutory entitlements) by the external homecare contractor
  - Payment of the London Living Wage by the external homecare contractor, which officers have estimated would increase the cost of the contract by £2.6m per annum, a potential cost to the council of £18m over the lifetime of the contract.
4. There are significant problems nationwide in the recruitment and retention of care workers and the Conservative and Liberal Democrat governments have exacerbated this by cutting council's funding.

This Council believes:

1. Merton's Cabinet agreed ~~has committed to being implement~~ a Minimum Income Guarantee based a-on the London Living Wage borough-in 2013 and to pay all directly employed and agency staff at or above this rate and we should stick to that. The rate that external contractors pay their staff was also looked at when this decision was made and it was agreed at the time that there was insufficient information about the cost to the council of requiring contractors to pay the London Living Wage, however we should keep this

matter under review. In line with this, as part of the current home care contracting process officers reviewed the potential cost of requiring external homecare contractors to pay the London Living Wage and estimated this cost at an additional £2.6m per annum in the price of the contract, or £18m over the lifetime of the contract we should stick to that. Council also notes that this is just one of our many external contracts so that the full cost of requiring all contractors to pay the London Living Wage is still unclear and will be significantly more than the additional cost of this one contract.

2. Care workers play a vital role not only in the safety and dignity of clients, but also the independence of their clients; we should value that work and it is shameful that Conservative/Liberal Democrat governments have allowed the crisis in adult social care to develop due to their ideologically-led austerity cuts.
3. The Ethical Care Charter is supposed to be a minimum and we call on the government to properly fund adult social care so at least this level can be achieved by all councils.

This Council requests Cabinet to:

1. Make goodBuild on its 2013 commitment decision to pay all directly employed staff and agency workers a minimum income guarantee based on the London Living Wage and to making Merton a Living Wage Borough as soon as possiblecontinue reviewing the cost to the council of requiring our external contractors to pay the London Living Wage and to report back to Council in setting each year's budget the affordability of implementing it, with regards to care workers in particular; and  
To ask the Overview & Scrutiny panel to look into what additional savings could be made in order to find the additional £18m required to pay for this at a future date, bearing in mind that any changes to the contract tender documents at this stage (the contract is due to be awarded in January) would require the council to re-start the tender process at an estimated delay of at least a year (plus the cost in officer time) and would require us to continue with our current contract which is not satisfactory and does not require payment of the National Living Wage which the new contract would do.
2. Ask external contractors to Ppublish the costs of agency staff cover for and recruitment of care workers, acknowledging that they may have issues of commercial confidentiality with this request.
3. Monitor and report back on the impact of the Ethical Care Charter criteria adopted in the appropriate Strategic theme reports.

### **Motion now to read:**

This council acknowledges that there is a crisis in social care. Government has slashed council funding by more than 40% since 2010, much of this agreed under the Conservative/Liberal Democrat coalition, and as a result adult social care, which is the biggest single area of the council's controllable spending, is inevitably facing significantly reduced budgets. Added to this, although we very much welcome increasing numbers of older people living longer than ever, they often have more complex care needs in later life which require increased spending on more expensive care packages. However, despite the significant financial challenges as a result of the Conservative and Liberal Democrat austerity agendas, this Council is

encouraged that in the process of recommissioning home care, the approach of the administration has been benchmarked against Unison's *Ethical Care Charter* [www.savecarenow.org.uk/ethical-care-charter](http://www.savecarenow.org.uk/ethical-care-charter)

This Council notes:

1. The objective of the Charter is to establish a minimum baseline for the safety, quality and dignity of care by ensuring employment conditions for care workers that a) do not routinely short-change clients and b) ensure the recruitment and retention of a more stable workforce through more sustainable pay, conditions and training levels.
2. Officers assess that the administration's commissioning approach meets all but 2 of the minimum standards set out in the charter and has met both Stage 1 and Stage 2 of the charter, with Stage 3 part achieved.
3. The two areas that the administration is not currently able to meet due to a significant funding gap as a result of Conservative and Liberal Democrat cuts are:
  - Coverage by an occupational sick pay scheme (in excess of statutory entitlements) by the external homecare contractor
  - Payment of the London Living Wage by the external homecare contractor, which officers have estimated would increase the cost of the contract by £2.6m per annum, a potential cost to the council of £18m over the lifetime of the contract.
4. There are significant problems nationwide in the recruitment and retention of care workers and the Conservative and Liberal Democrat governments have exacerbated this by cutting council's funding.

This Council believes:

1. Merton's Cabinet agreed to implement a Minimum Income Guarantee based on the London Living Wage in 2013 and to pay all directly employed and agency staff at or above this rate and we should stick to that. The rate that external contractors pay their staff was also looked at when this decision was made and it was agreed at the time that there was insufficient information about the cost to the council of requiring contractors to pay the London Living Wage, however we should keep this matter under review. In line with this, as part of the current home care contracting process officers reviewed the potential cost of requiring external homecare contractors to pay the London Living Wage and estimated this cost at an additional £2.6m per annum in the price of the contract, or £18m over the lifetime of the contract. Council also notes that this is just one of our many external contracts so that the full cost of requiring all contractors to pay the London Living Wage is still unclear and will be significantly more than the additional cost of this one contract.
2. Care workers play a vital role not only in the safety and dignity of clients, but also the independence of their clients; we should value that work and it is shameful that Conservative/Liberal Democrat governments have allowed the crisis in adult social care to develop due to their ideologically-led austerity cuts.
3. The Ethical Care Charter is supposed to be a minimum and we call on the government to properly fund adult social care so at least this level can be achieved by all councils.

This Council requests Cabinet to:

1. Build on its 2013 decision to pay all directly employed staff and agency workers a minimum income guarantee based on the London Living Wage and to continue reviewing the cost to the council of requiring our external contractors to pay the London Living Wage and to report back to Council in setting each year's budget the affordability of implementing it with regards to care workers in particular; and  
To ask the Overview & Scrutiny panel to look into what additional savings could be made in order to find the additional £18m required to pay for this at a future date, bearing in mind that any changes to the contract tender documents at this stage (the contract is due to be awarded in January) would require the council to re-start the tender process at an estimated delay of at least a year (plus the cost in officer time) and would require us to continue with our current contract which is not satisfactory and does not require payment of the National Living Wage which the new contract would do.
2. Ask external contractors to publish the costs of agency staff cover for and recruitment of care workers, acknowledging that they may have issues of commercial confidentiality with this request.
3. Monitor and report back on the impact of the Ethical Care Charter criteria adopted in the appropriate Strategic theme reports.