Department of Health & Social Care

An Introduction to the Adult Social Care Fair Pay Agreement (FPA)

16th April 2025

Agenda

- What is a Fair Pay Agreement?
- Why are Fair Pay Agreements being introduced?
- The Employment Rights Bill overview
- How is a Fair Pay Agreement agreed- what will be in it?
- How have the Government been working with the sector so far?
- What happens next and how to get involved

What is a Fair Pay Agreement?

A Fair Pay Agreement (FPA) **will set minimum pay and other terms and conditions for workers** in adult social care. It will be agreed through the introduction to social care of collective bargaining.

The FPA will be **negotiated between employer and worker representatives**.

This will be the **first ever agreement** of its kind in the social care sector.

New Fair Pay Agreements will be complemented by **rights for trade unions to access workplaces**, in a responsible manner, for recruitment and organising purposes.

Why are Fair Pay Agreements being introduced?

Fair Pay Agreements are a key part of the government's new deal for working people. **Make Work Pay** outlined the government's plan for *"a New Deal for Social Care Workers, ensuring these **workers are treated with dignity and respect and that they have a route to better conditions, training and progression**. This will help us tackle the serious recruitment and retention crisis facing the sector, deliver higher standards for those receiving care and help us to tackle NHS waiting lists."*

The adult social care sector faces significant workforce challenges including **challenges around recruiting and keeping staff**.

Care professionals are essential to those who draw on care and support.

Care worker pay is amongst the lowest in the economy – at least 80% of jobs pay more than care worker median pay.

We are introducing a Fair Pay Agreement so that **care professionals are recognised and rewarded** for the important work they do.

The Employment Rights Bill will provide the legislation for FPAs

The Employment Rights Bill was introduced to Parliament on the 10th October 2024. It intends to overhaul employment rights in this country, with significant changes for the economy and society. The Bill includes a wide range of measures that will affect all employment sectors, such as changes to Zero-Hour Contracts and Statutory Sick Pay. FPAs make up just a part of the Bill.

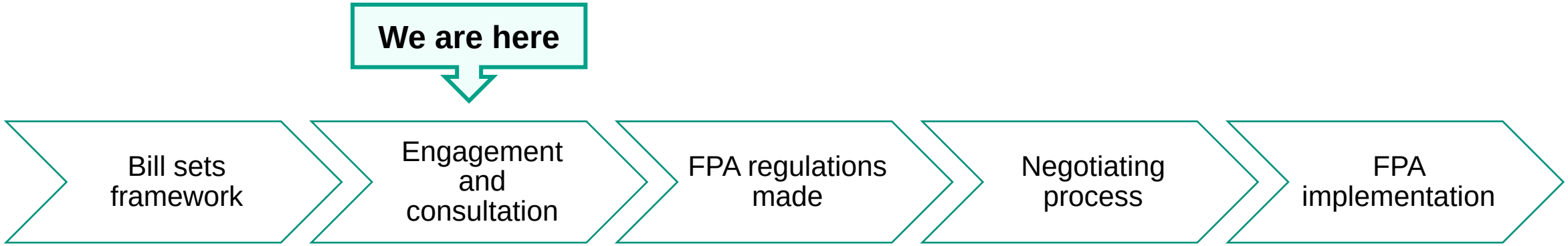
The Bill **does**…

- Allow the Secretary of State to make regulations that:
  - Establish a body to lead FPA negotiations.
  - Confirm the remit of the negotiating body and specify how the process will work.
  - Set out how disputes during negotiations are managed.
  - Approve and implement negotiated agreements.
  - Make provision for enforcing the final agreement(s).

The Bill **does not**…

- Cover the full detail of how negotiations will run, who will be in scope for a FPA and the remit of the negotiating body.
- These policy areas will be worked through ahead of drafting and laying secondary legislation, through engagement and consultation.

How is a fair pay agreement agreed- what will be in it?



- The Bill includes broad clauses to enable the FPA process to be designed through consultation with the sector.
- Wide engagement with the ASC sector including Working Groups, Task and Finish Groups, teach-ins and Public Consultation.
- Following a programme of engagement, secondary regulations are drafted informed by evidence from public consultation.
- Negotiating body/processes are established and collective bargaining process begins.
- Negotiated outcome is agreed and the FPA implemented.

How have we been working with the sector so far?

Collaboration and coproduction between Government, workers, employers, local government and those who draw and care and support is essential to the successful delivery of a Fair Pay Agreement. We are currently engaging in three main ways:

The 'FPA Working Group'

- **Senior stakeholder group** - TUs, employer reps (including CPA and member organisations), local govt. and Govt.
- To **agree aspects of policy design ahead of public consultation**
- Quarterly meetings, supported by Task and Finish Groups

'Task and Finish' sub-groups

- **Deep dives into issues**
- Broader attendance than working group
- Having at least **2 sessions per major workstream**: (e.g. scope)

Wider engagement

- To **promote policy**, raise awareness and seek **holistic input** – e.g. teach-ins, Q&As to further aid planning for public consultation
- Includes visits to sector groups, potentially webinars etc

Our current engagement is helping us work through some key policy questions around:

Scope – what and who should and could be in scope of a Fair Pay Agreement?

Negotiating Body– what should the negotiating body and process look like? How should employees and employers be represented?

Dispute Resolution – what happens if negotiations fail?

Enforcement – how will Government ensure that employers are complying with the FPA and that workers have routes to complain?

What happens next and how to get involved

Continuing current engagement

- Working Group
- Task and Finish Groups
- Teach-ins
- Meetings

Public consultation

- Expected to launch in Autumn 2025
- It will be a chance for people to respond to questions and comment on proposals
- There will also be other engagement opportunities alongside this

Get in touch!

- If you have questions please contact us by emailing ASCFPA@dhsc.gov.uk

Any questions?