

ADASS Policy Statement: Fair Pay Agreement for Adult Social Care

Date: 2 October 2025

Review date: October 2026

Our Position

ADASS believes that adult social care staff are skilled professionals whose work is vital to individuals, families, communities, and the wider economy – [ADASS policy statement: Workforce](#). Yet, the sector continues to face workforce shortages, high turnover, and low pay compared to other sectors and the NHS.

We strongly support the Government's ambition to introduce a Fair Pay Agreement (FPA). Properly designed and fully funded, the FPA can deliver fair pay and help secure better terms and conditions for front line care workers which is the right thing to do.

Alongside other workforce reforms to develop clear career pathways in adult social care, there is now a real opportunity to improve recruitment and retention across the sector. Ultimately, people who draw on care and support will benefit from a sustainable and motivated workforce, delivering high quality care, who feel valued, respected and fairly paid.

Government recently announced £500m funding to support the implementation of the Fair Pay Agreement. Read the response from ADASS President Jess McGregor – [read our statement](#).

Key Principles

1. Fair Value for Care Work

Care workers play a critical role in people's care, support and wellbeing, carrying out skilled tasks, some of which were previously undertaken by healthcare staff e.g. wound care or catheter care. Despite this, many remain among the lowest paid in the economy. The FPA must address this imbalance by setting a fair baseline for pay and conditions, working towards parity of esteem with health sector colleagues and by working in conjunction with Government reforms to career pathways and progression opportunities so pay is reflective of skills and experience.

2. Positive Intentions but not Without Risk

Despite supporting the many positive intentions of the FPA, we believe there are significant challenges in implementing this policy, as well as the wider Employment Rights Bill. There is a risk that the overall position of councils and care providers worsens due to the financial strain, therefore these risks need to be carefully considered, managed and mitigated if the FPA is going to be implemented successfully.

3. Full Government Funding for Publicly Funded Care

The costs of an FPA will be significant and are not yet comprehensively understood. If not fully funded by central Government, the additional costs will fall to:

- Local authorities, through local council tax or ASC precept increases, tightening eligibility for care and support or cuts to other essential local services.
- People who fully fund or contribute to the costs of their own care, face accelerating the depletion of their assets, reducing their hours of care, and increasing reliance on family carers and eventually publicly funded care. This is because recently announced Government funding for the FPA (£500m) is only intended to cover costs for publicly funded care.
- Adult social care providers, compounding existing pressures of national minimum and living wage rises and increased employer national insurance contributions. [Social Care 360 | The King's Fund](#)

It is essential that the FPA is funded as a national responsibility, not left to local decision-making or individuals and providers already struggling with costs.

4. Partnership with Local Government

Local authorities are the primary commissioners of care and support and already face severe financial pressures. They must therefore be included as equal partners in the negotiation and implementation of the FPA, ensuring that commitments are realistic and affordable.

We also recommend that directly employed local authority staff remain under the existing National Joint Council (NJC) arrangements. Removing them from NJC and applying FPA conditions could create complications, including potential equal pay claims across Local Government.

5. People Who Draw on Care must be Central

The voices of people using care and support, particularly those often excluded from consultation, must be central to shaping the FPA. This includes:

- **Self-funders or those contributing to their care costs**, who are likely to see increased charges and must have clarity about the levels and quality of care they can expect in return.
- **Personal Assistant employers**, who may be unaware of new legal duties under the FPA and the ERB who will need clear guidance and support.
- **Family carers**, the majority of whom are women, who could face added pressures if formal care becomes less affordable. We know an increasing number of carers give up work to care.

Risks and Challenges

- **Financial pressures:** Without adequate central funding, councils could be forced to tighten eligibility for care and support, reduce services, increase local taxation or not being in a position to fully fund increased provider costs.
- **Impact on self-funders:** Central Government funding will only subsidise the part of the market which is publicly funded. Higher costs for those who self-fund their care may lead individuals to decide to reduce or delay care, resulting in faster deterioration in health and increased demand on both NHS and council-funded services.
- **Implementation complexity:** Negotiations must reflect the diversity of providers and employment models in social care. The sector's complexity requires careful planning to avoid unintended consequences such as providers consolidating rather than expanding to manage additional costs. This could impact upon local authorities duties to manage the market.

- **Pay matching career pathway reforms:** without sufficient funding, the sector will be unable to pay staff differential rates based upon skills, qualifications and experience. This is an important aspect of the Governments adult social care workforce reforms and is a crucial part of staff retention.

ADASS Recommendations

1. **Guarantee funding:** Government must meet the full cost of the FPA for publicly funded care separate from existing ASC funding streams.
2. **Include local authorities in negotiations:** As primary commissioners, councils must have a formal role on the FPA negotiating body to ensure practical delivery.
3. **Exclude LA staff covered by the National Joint Council (NJC):** To avoid duplication, confusion, and potential equal pay claims.
4. **Engage people who use care and support:** Especially self-funders, Direct Payment employers, and underrepresented groups.
5. **Act now as well as later:** Alongside the FPA process, immediate action on pay is essential to stabilise the workforce and reduce turnover.
6. **Impact assessment:** That Government works with the sector to develop a costed impact assessment to support decision making on the final implementation of the FPA and the wider ERB.

Conclusion

The Fair Pay Agreement represents a crucial opportunity to finally value the adult social care workforce in line with their contribution to society. Success is dependent upon full central Government funding, sector partnership with local government, and meaningful engagement with people drawing on care and support.

Investing in fair pay now will deliver a more stable workforce, reduce costly turnover, and improve outcomes for people, families, and communities. This is not only a moral obligation but also an economic necessity to support growth and productivity.

Appendix A: Evidence

1. ADASS – The additional £4bn of dedicated funding for adult social care that councils will have access to over the three-year period is, at best, likely to only be sufficient to meet existing cost pressures. From our analysis, the council tax and adult social care precept increases, if fully utilised by all councils, will provide approximately £3bn by the final year of the Spending Review, whilst the uplift to the NHS minimum contribution to the Better Care Fund will deliver £350–400mn in funding. This leaves, at best, around £600–650mn unallocated. If the Government is to deliver a Fair Pay Agreement in the final year of the Spending Review to support increased recruitment and retention, this funding is likely to fall short of bringing entry frontline care pay up to the Real Living Wage at a minimum.
2. While the [Fair Pay Agreement Process Impact Assessment](#) does not estimate the additional costs from a Fair Pay Agreement (that will be dependent on the future negotiations and who/what is in scope) it does try to model what the costs would be, drawing upon Skills for Care data. It suggests that a 1% increase in pay is equivalent to about £270m additional cost to the sector. (Text extracted from– [Social-Care-Fair-Pay-Agreement-FAQ-1.pdf](#))
3. [The Fabian Society](#) has proposed a package of improvements to pay and conditions in the first Fair Pay Agreement that would cost £805mn, followed by a more far-reaching package to the value of £2bn.
4. [Community Integrated Care](#) argues that immediate action is needed and that increasing social care pay is both achievable and essential. Their estimates show that a 50p per hour uplift for the 1.29 million frontline care workers in England, would cost just £723 million per year (net). In return, fair pay would reduce costly staff turnover, improve retention, and enhance care quality – benefiting the entire health and social care system.
5. [The state of the adult social care sector and workforce in England, 2024](#) – The model predicts that if the adult social care workforce grows proportionally to the projected number of people aged 65 and over in the population, then 430,000 new posts would be required by 2035.
6. [Health Foundation](#) – Low pay in social care contributes to staffing problems, worker poverty and reduced care quality. With 77% of the public believing care workers are underpaid, there's strong support for wage increases. And the new government has announced its ambition of a 'fair pay agreement' for social care, setting out minimum pay and terms and conditions.
7. [JRF](#) – The median pay for care workers is in the bottom 20th percentile of all jobs, meaning [80% of other jobs in the UK pay more](#). Adult social care work paid less than the equivalent roles within the NHS. For domiciliary care workers, travelling between houses isn't usually paid, meaning they are at [risk of being paid even less](#) than the minimum wage.