

10th March 2022

Dear SCC Co-operative Executive,

Re: Recommended 3.13% uplift to fees for Day Service Providers

I would like this letter to be read out at the Co-operative Executive meeting on 16th March 2022 or if not, to be distributed to all members of the Co-operative Executive group prior to or during the meeting on 16th March 2022, when they will be considering the proposals prepared by John Macilwraith and Joe Horobin on the level of increase to fees for Day Services within the City.

I have requested an urgent meeting with George Lindars-Hammond to discuss the proposed fee uplift for Day Service providers and urgent issues affecting the Care sector in Sheffield more generally, so that he can represent the concerns that I raise, and wait for him to contact me.

If the proposed uplift is agreed by the Cooperative Executive members on 16th March 2022 this will affect thousands of staff that work in Care, hundreds of Providers and potentially put at risk essential services for many of the City's most vulnerable residents.

I understand fully the constraints on Council finances, but I also know first hand how the crisis in Social Care is already affecting Providers (Employers) and the dedicated staff working within social care. The consequences of approval of an uplift to fees of just 3.13% in the face of an increase to National Living wage rates of 6.62%, National insurance contributions of 1.25% plus massive increases to energy and building costs will be stark and fast.

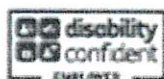
One of comparators that we use is to look at is the difference between our rate of pay for Support workers and the Real Living wage. This year with only a 3.13% increase, we actually get further away from that goal. We would be 4.2% below, rather than 3% has been the position for the last 2 years. We understand that Sheffield City Council has committed to paying the Real Living Wage and has only recently agreed to pay it to their directly employed staff from 1st April 2022, however many providers to SCC are unable to pay this rate.

This letter follows a zoom meeting with Joe Horobin and John Macilwraith on Tuesday 8th March 2022 to discuss the process for annual fee uplifts and the pressure that this is putting on Providers such as Burton Street.

The following points were made in an email to Cllr George Lindars-Hammond 9th March 2022 explaining how the delays in communication about an uplift to fees from April 2022 have put onto providers such as Burton Street.

We have had no updates (until yesterday) despite asking for them constantly since November 2021. We are now in a position where we have to present budgets to our trustees on Thursday 17th March, within 24 hours of the Exec Council meeting where the Fee uplifts will be discussed and potentially agreed. Like Sheffield City Council our budget year commences 1st April 2022, so you can see how time pressured this is.

At our meeting yesterday afternoon we were informed what is going to be recommended to the Exec team and this is what leads me to write to you to arrange an urgent meeting.



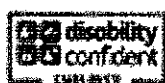
We were informed the recommendation is that Day service providers will get an uplift of around 3.1%. This is far below expectations and will cause huge pressure on a sector which is already in peril. This will allow Burton Street to pay only 29p to our very low paid staff, getting them to the new National Living Wage of £9.50 only. We are aware that other fairly local core Cities being Manchester and Leeds have taken the decision to pay care staff the Real Living Wage of £9.90 per hour, and indeed last week Sheffield City Council agreed to pay this to their own directly employed staff on SCC current minimum rate of £9.30 which equates to an increase of 60p per hour. Essential care providers in the VCS are not able to increase wages by the same level based on the proposed percentage increase, which is not only insulting but will push many more employees and their families into financial hardship and potentially escalate Care Providers to close their doors.

We were told yesterday that SCC wanted to do more and wanted to get to a stage where they could fairly reward a smaller Care Sector in the City. That the City wanted to proceed more quickly with 'early intervention and prevention' agendas all of this I understand and support. However, to do this by exploiting the lowest paid members of our society and keeping them in perilous hardship seems very unfair. Our staff and those of other Care Providers have been thanked, recognized and lauded for the preventative nature of our work over the past 2 years, supporting very vulnerable clients and their families and preventing escalation to more expensive crisis or respite services. Now these seem to be just words, easily spouted but without any meaning.

Our wonderful staff team work hard, they support some of the City's most vulnerable and give them a fantastic quality of life in the superb range of services we provide, they provide essential respite so that families can cope and manage largely unsupported at home.

At the same time, our staff retention rates are now lower than they have ever been and we are constantly recruiting. Many leavers state that they love the work that they do but pay is the reason that they need to leave us and this is not just support workers but team leaders and managers as well. Many have second jobs to make ends meet to enable them to support their families or study for degrees to enable them to move to higher paid sectors. This impacts on their mental and physical health and leads to higher levels of burnout. We have staff using food banks, and asking for advice on benefits. We now provide very low cost options for staff in our café at lunchtime to make sure that they can eat whilst at work for £1.00. We have started to get desperate requests for advances to wages to enable bills to be paid and I could go on...

3.1% is totally inadequate in the current climate and it reinforces low morale and feelings that Care staff have again been forgotten. On my staff's behalf, I am disappointed in Sheffield "The Fair City" and very fearful of the future. I can see more staff leaving, more care providers closing their doors, more anger, more desperation and years more exploitation of the lowest paid whilst the City Council and NHS try to progress further with strategies to 'intervene earlier and prevent' being willing to risk essential services for some of the most vulnerable in Sheffield in the meantime. We are asked to be creative, which is very hard to achieve with demoralised staff and Managers focused on organisational survival. Burton Street Foundation deliver results on a daily basis on early intervention and prevention, which seems largely now to be forgotten. We do this as a proud 'not for profit' organisation, one which Sheffield should be proud of, operating at around a 1% profit margin with open book accounting. We will now start to calculate the impact that this 3.1% increase in fee uplifts will have on our sustainability, in the face of large increases to National Living wage rates and National Insurance, and steep increases to energy costs without these costs being fully covered by proposed fee uplifts. We are happy to share these illustrations once completed to demonstrate why we have been pushing for a much higher uplift in fees.



I am not sure what more I can do at this time. I have given evidence and facts in consultations, been active and honest about the state of the sector in all the conversations and meetings I have had. One thing I hope to be able to do is to meet with you as the Executive Member for Health and Social Care to explain to you our position and that of our staff and fellow providers, before this proposal goes to the meeting of SCC Exec group next Wednesday 16th March. When I hope the proposals will be roundly rejected and sent back after reflection for urgent review.

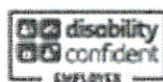
Yours respectfully



Clare Mappin

Managing Director

The Burton Street Foundation Ltd



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