

**Dyddiad /Date:**  
**Gofynnwch am/**Please ask for:  
**Llinell uniongyrchol/Direct line:**  
**Ebost/Email:**

15<sup>th</sup> October 2020  
Stewart Blythe  
029 20468637  
[stewart.blythe@wlga.gov.uk](mailto:stewart.blythe@wlga.gov.uk)



**CLILC • WLGA**

Dr Dai Lloyd MS  
Chair, Health, Social Care and Sport Committee

Via E-mail

Dear Dai,

At the recent Health, Social Care and Sport Committee evidence session I committed to providing an update on the status of payments of the £500 bonus to social care workers. As we touched upon during the evidence session this is a complex and challenging scheme to deliver, with an estimated 66,000 payments to be made to staff working across thousands of different employers and has required close working between local government and Welsh Government to deliver.

Through the delivery of the scheme a number of on-going challenges continue to be faced, including: how to make payments to eligible personal assistants who provided care for people who have subsequently passed away; and the issue of locating eligible staff who have changed employment.

Another significant challenge has been managing the effect of the payment on the Council Tax Reduction Scheme (CTRS). This is because the care workers payment is included in the calculation used to determine earnings that are used to calculate benefits. As such the payment is likely to adversely affect the benefits of care workers that receive the payment. Most benefits are not devolved and are managed by the UK Government, but CTRS is a devolved benefit. Therefore, care workers in receipt of CTRS are likely to lose it in the month in which they receive the payment. The Welsh Government is unable to amend CTRS regulations to adjust for this and so has been working with the WLGA and local authorities to provide compensation for care workers who will lose their CTRS entitlement as a result of receiving this payment. This is likely to result in a small additional grant, of up to £300k, to local authorities who will make compensation payments to those affected. I understand that Ministers should receive advice on this shortly on this.

As of 25 September, based on returns made by local government to Welsh Government, local authorities have provided funding to employers to pay the £500 payment to around 22,000 care workers. This represents around one third of the expected number of payments at a value of around £14m. As of this date there were nine outstanding returns to be submitted by local authorities. Local authorities expect the majority of the remaining funding, approximately 44,000 payments, to be delivered during October. The latest scheme cost estimates suggest it will consume all of the £40m budget set aside for the scheme, but there

Dr Chris Llewelyn  
Prif Weithredwr  
Chief Executive

Cymdeithas Llywodraeth  
Leol Cymru  
Tŷ Llywodraeth Leol  
Rhodfa Drake  
CAERDYDD CF10 4LG  
Ffôn: 029 2046 8600

Welsh Local Government  
Association  
Local Government House  
Drake Walk  
CARDIFF CF10 4LG  
Tel: 029 2046 8600

[wlga.cymru](http://wlga.cymru)  
[wlga.wales](http://wlga.wales)

@WelshLGA

**Croesawn ohebiaeth yn y Gymraeg a'r Saesneg a byddwn yn ymateb i ohebiaeth yn yr un iaith.  
Ni fydd defnyddio'r naill iaith na'r llall yn arwain at oedi.**

**We welcome correspondence in Welsh and English and will respond to correspondence in the same language.  
Use of either language will not lead to a delay.**

remains a risk that costs could increase beyond current estimates and exceed the budget, an issue we will continue to monitor.

I trust that this update is helpful to both you and the rest of the Committee members in terms of the latest position in delivering the £500 payment to social care workers in Wales.

Yours sincerely



Dr Chris Llewelyn  
**Prif Weithredwr / Chief Executive**