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Item No: 8

Meeting Date: Wednesday 13th May 2026

**Glasgow City
Integration Joint Board**

Report By: Duncan Black, Depute Chief Officer, Finance and Resources

Contact: Amanda Clarke, Assistant Chief Officer, Finance

Phone: 0141 287 8258

Scottish Living Wage Settlement 2026/27

Purpose of Report:	To advise Glasgow City Integration Joint Board of the proposed uplift for Social Care pay from 6 th April 2026. This uplift is in respect of both Adult and Children's Services and will be offered to eligible Providers of Purchased Services within Glasgow and Self Directed Support Option 1 (Direct Payments).
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Background/Engagement:	Since April 2016 the Scottish Government's financial settlements for Glasgow City Council have contained a contribution to support an uplift in the Scottish Living Wage. This funding is used to support local uplift awards to Providers and Direct Payment recipients who complied with Scottish Living Wage rates. For 2026/27 the proposed increase is a 6.75% uplift to an agreed percentage of full contract values.
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Governance Route:	<p>The matters contained within this paper have been previously considered by the following group(s) as part of its development.</p> <p>HSCP Senior Management Team <input type="checkbox"/></p> <p>Council Corporate Management Team <input type="checkbox"/></p> <p>Health Board Corporate Management Team <input type="checkbox"/></p> <p>Council Committee <input type="checkbox"/></p> <p>Update requested by IJB <input type="checkbox"/></p> <p>Other <input type="checkbox"/></p> <p>Not Applicable <input checked="" type="checkbox"/></p>
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Recommendations:	<p>The Integration Joint Board is asked to:</p> <ul style="list-style-type: none">a) Note the contents of the report;b) Agree that the Partnership will offer a 6.75% uplift to eligible Providers of Purchased Services within Glasgow and Self Directed Support Option 1(Direct Payments) for workforce costs within contract values; andc) Note that the uplifts agreed at b) will be subject to Providers who are not in the new Flexible Framework confirming they will pay staff providing direct care at least £13.45 per hour from 6th April 2026.
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Relevance to Integration Joint Board Strategic Plan:

The delivery of good health and social care outcomes is dependent on the quality of care delivered by Providers with whom we contract. This uplift improves conditions for staff and organisations and should contribute to improved health and wellbeing outcomes for staff and service users.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome(s):	Outcome 9. Resources are used effectively and efficiently in the provision of health and social care services.
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Personnel:	No direct personnel implications.
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Carers:	No direct impact on carers.
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Provider Organisations:	This settlement enables Providers to deliver the Scottish Living Wage and assists financial sustainability.
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Equalities:	No EQIA carried out as this report does not represent a new policy, plan, service or strategy.
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Fairer Scotland Compliance:	This settlement supports the delivery of a Fairer Scotland.
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Financial:	This uplift will cost £15.943m to implement. Full provision has been made within the 2026/27 IJB budget approved in March 2026.
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Legal:	From a legal perspective the Council is unable to force purchased Providers to implement the Social Care Pay Uplift. That said, the Council supports the implementation of Fair Work Practices via its contracting and procurement processes and will continue to encourage and incentivise Providers to comply.
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Economic Impact:	None.
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Sustainability:	This settlement assists Providers to deliver the Scottish Living Wage and assists financial sustainability.
Sustainable Procurement and Article 19:	None.
Risk Implications:	None.
Implications for Glasgow City Council:	None.
Implications for NHS Greater Glasgow & Clyde:	None.
Direction Required to Council, Health Board or Both	
Direction to:	
1. No Direction Required	<input type="checkbox"/>
2. Glasgow City Council	<input checked="" type="checkbox"/>
3. NHS Greater Glasgow & Clyde	<input type="checkbox"/>
4. Glasgow City Council and NHS Greater Glasgow & Clyde	<input type="checkbox"/>

1. Purpose

- 1.1 To advise Glasgow City Integration Joint Board of the proposed uplift to social care Providers within eligible Glasgow Purchased Services and Self Directed Support Option 1 (Direct Payments) with effect from 6th April 2026.

2. Background

- 2.1 Since April 2016 the Scottish Government's financial settlements for Glasgow City Council have contained a contribution to support an uplift in the Scottish Living Wage. This funding is used to support local uplift awards to Providers and Direct Payment recipients who complied with Scottish Living Wage rates. For 2026/27 the proposed increase is a 6.75% uplift to an agreed percentage of full contract values.
- 2.2 The IJB's new Flexible Framework tender came into effect in February 2026. Successful bidders were instructed to consider the impact of the 2026 Scottish Living Wage increase when submitting their rates. These new framework rates have been implemented, and full provision has been made within the 2026/27 IJB budget approved in March 2026.

3. Social Care Pay Uplift 2025/27 for Purchased Services

- 3.1 As part of the Scottish Budget for 2026/27, the First Minister announced that a pay uplift for social care workers would be delivered from April 2026.

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- 3.2 Funding of £180m was made available for Local Government to support an increase in the minimum hourly rate from £12.60 to £13.45 per hour for workers providing direct social care within purchased services, and those funded from Direct Payments.
- 3.3 Confirmation of the details for the Adult Social Care Pay Uplift was received on 18th March 2026. The letter is attached at Appendix 1.
- 3.4 Confirmation of the details for the Children's Social Care Pay Uplift was received on 9th April 2026. The letter is attached at Appendix 2.

4. Proposal

- 4.1 It is proposed to increase eligible Social Care Providers in Glasgow's purchased services by a 6.75% uplift to workforce costs within contract values. This uplift will also be applied to Direct Payments, where service users either purchase care directly from Providers, or employ Personal Assistants. This uplift excludes any Providers under a Scotland Excel framework, as these are managed within Scotland Excel contractual terms.
- 4.2 The Scottish Government set national weighting percentages for each service type. This identifies those workforce costs within the contract value eligible for the Scottish Living Wage uplift of 6.75%. Tables 1 and 2 below detail the national weighting and net uplift to the overall contract once the pay increase has been applied.

Table 1: Adult Services

Service	% National Weighting	% Net Uplift
Residential Care	71.8%	3.59%
Non Residential Care	86.9%	4.35%
Direct Payments	90%	4.50%

Table 2: Children's Services

Service	% National Weighting	% Net Uplift
Secure accommodation	40%	2.00%
Care home	55.1%	2.76%
School care accommodation	46%	2.30%
Care at Home and Housing Support	78%	3.90%
Care at Home (Other)	67.3%	3.36%
Direct Payments	90%	4.50%

- 4.3 Eligible Providers who are not on the new Flexible Framework will be required to sign and return contract variation letters confirming that the funding will be used exclusively for pay increases to £13.45 per hour as a minimum.
- 4.4 Provider payments will be processed as soon as possible after their signed contract variation letters are received.

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5. Recommendations

5.1 The Integration Joint Board is asked to:

- a) Note the contents of the report;
- b) Agree that the Partnership will offer a 6.75% uplift to eligible Providers of Purchased Services within Glasgow and Self Directed Support Option 1(Direct Payments) for workforce costs within contract values; and
- c) Note that the uplifts agreed at b) will be subject to Providers who are not in the new Flexible Framework confirming they will pay staff providing direct care at least £13.45 per hour from 6th April 2026.

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Direction from the Glasgow City Integration Joint Board

1	Reference number	130526-8
2	Report Title	Scottish Living Wage Settlement 2026/27
3	Date direction issued by Integration Joint Board	13 May 2026
4	Date from which direction takes effect	13 May 2026
5	Direction to:	Glasgow City Council only
6	Does this direction supersede, revise or revoke a previous direction – if yes, include the reference number(s)	No
7	Functions covered by direction	Adult and Children’s non-residential and residential Social Care within Glasgow Purchased Services and direct payments.
8	Full text of direction	Glasgow City Council is directed to implement, effective from 6 th April 2026, the 6.75% uplift to an agreed percentage of full contract values (detailed at section 4.2), to Providers of adult and children non-residential and residential Social Care within Glasgow Purchased Services and Direct Payments. This should be subject to Providers who are not on the new Flexible Framework confirming they will pay staff providing direct care at least £13.45 per hour from 6 th April 2026.
9	Budget allocated by Integration Joint Board to carry out direction	This uplift will cost £15.943m to implement. Full provision has been made within the 2026/27 IJB budget approved in March 2026.
10	Performance monitoring arrangements	In line with the agreed Performance Management Framework of the Glasgow City Integration Joint Board and the Glasgow City Health and Social Care Partnership.
11	Date direction will be reviewed	31 March 2027

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**Director of Social Care and National Care
Service Development Directorate**

Donna Bell



Scottish Government
Riaghaltas na h-Alba
gov.scot

E: donna.bell@gov.scot

To: Integration Authority Chief Officers
Integration Authority Chief Finance Officers
Local Authority Chief Executives
Local Authority Directors of Finance
COSLA
Scotland Excel
ILF Scotland
Chief Social Work Officers
Scottish Care
CCPS
Care Inspectorate
Unite
UNISON
GMB
STUC
Care providers

From: Donna Bell, Director of Social Care and National Care Service Development,
Scottish Government

Date: 18 March 2026

Adult Social Care Pay Uplift

Dear colleague,

Following agreement at COSLA Leaders on 27 February 2026, I am writing to confirm the initial details of the annual pay uplift for adult social care workers that was announced on 13 January 2026 by the First Minister as part of the Scottish Budget for 2026-27.

As you are aware, in the Scottish Budget for the 2026-27 financial year, it was announced that £160 million will be transferred to Local Government to support the delivery of a £13.45 per hour minimum wage for all adult social care staff delivering direct care in commissioned services from April 2026. It was subsequently announced on 12 February 2026 that a further £20 million will also be allocated to the Local Government Settlement for Social Care, which can be used towards funding the Real Living Wage for adult and childcare sectors. This funding will be paid to Local Authorities in the weekly General Revenue Grant payments from April 2026.

There has been political agreement that the uplift to £13.45 per hour will be delivered in the same manner as the uplift to £12.60 per hour for these workers, which was delivered in the 2025-26 financial year.

Confirmation of policy intent and national weightings

This policy provides funding to enable the lowest paid adult social care workers to receive an annual uplift in their rate of pay to at least the Real Living Wage (RLW) rate.

National weightings will continue to be applied to deliver the funding allocation for this uplift to providers. The national weightings mean that the uplift is applied to a set percentage of a contract representing the **average full workforce costs** for the type of service commissioned.

The **average full workforce cost** has been calculated based on contractual data and includes all staff employed within the services – not just those in direct care roles, who are in scope of this policy and on the lowest rates of pay – as well as associated workforce on-costs. This average includes workers on higher rates and in non-direct care roles as are included in the contracts.

Any additional funds that providers may have - after the policy intent is fully met and as a result of the national weightings approach - must be spent on uplifting pay for the directly employed workforce working within services for the 2026-27 financial year. It is the provider's discretion of how any remaining funds are to be spent within these stipulations, but this can be used to support differentials or rates of pay for workers in non-direct care roles.

Scope

The pay uplift to at least the RLW rate will apply to staff providing direct care within adult social care in commissioned services in the third and independent sectors. This will include Supervisors, Practitioners, Support Workers, Personal Assistants, and staff providing overnight support. This funding will apply to workers in care homes, care at home, day care, housing support, adult placement services, respite services and those delivering direct support through all SDS Options.

This funding will enable pay for these workers, in these services, to be uplifted from at least £12.60 per hour to at least £13.45 per hour.

Full details of scope and eligible services can be found at Annex A.

Timing and Process

This funding will take effect from April 2026.

In line with existing process and previous years approach, Local Government and Integration Joint Boards will be working through the required governance, legal and contractual arrangements to deliver this to providers.

Local indications suggest that most payments will be made across April and May, with funding back dated and provided from April 2026. Best endeavours will be made to have all payments with providers by July 2026. However, this relies on the timely return of contract variation letters by providers and payments will not be released until providers return their signed contract variation letters.

The Scottish Government and COSLA will meet with Scottish Care, Coalition of Care and Support Providers Scotland (CCPS) and Trade Union representatives to discuss any concerns or questions around implementation and will work together to resolve these quickly through the established troubleshooting process.

Policy Implementation

The uplift to £13.45 per hour will be distributed to providers in the same manner as the previous uplift to £12.60 per hour for the workers in scope using the national weightings approach.

This will mean a 6.75% uplift will be applied to a set percentage of contract values, in line with the **average full workforce costs** for residential and non-residential services. A separate agreed weighted percentage has been set for Personal Assistants who are paid directly through SDS Option 1 budgets.

National Weightings

The national weightings for the £13.45 uplift will be the same as those used for the uplift to £12.60. These percentages are below:

- Residential care – uplift applied to **71.8%** of full contract value.
- Non-residential – uplift applied to **86.9%** of full contract value.
- SDS option 1 Personal Assistants – uplift applied to **90%** of budgets.

This equates to contract uplifts of:

- Residential Care **4.85%**
- Non-Residential Care **5.87%**
- SDS Option 1 **6.08%**

Due to the nature of this approach, this may result in some providers having funds remaining once the policy intent - to uplift pay for the workforce delivering direct care to at least £13.45 per hour - has been fully delivered. As already set out in this letter, any additional funds must be spent on uplifting pay for the directly employed workforce.

The residential care uplift does not relate to National Care Home Contract rates which are dealt with separately and incorporate the pay uplift using the established Cost Model.

Non-workforce costs

This policy, to uplift the minimum rate of pay for adult social care workers, provides funding for wages and associated workforce on-costs within providers contracts.

Local areas still have the ability to offer increases to providers on the non-workforce costs within their contracts.

Any changes on the rest of local contracts, or on Scotland Excel's Adult Social Care National Flexible Frameworks, to address other increasing and inflationary non-workforce costs would be out with the remit of this policy and would form part of the normal local contractual negotiating process with providers and their local commissioners and finance departments. For national arrangements, Scotland Excel will work in collaboration with providers and commissioners in line with the Framework's Price Review process.

Assurance process

For this uplift, and in line with previous practice, providers will be required to sign and return contract variation letters. This will confirm that the funding must only be used for uplifting pay and local areas will be responsible for assuring this funding is used for these purposes through their normal contract monitoring processes.

As per usual process, funding will then be released to providers as soon as possible after they return their signed contract variation letters.

Personal Assistants

Separate guidance will be issued for PA employers.

ILF Scotland

Separate guidance will be issued for ILF Scotland recipients.

Children's Social Care

Separate guidance will be issued by the Children and Families Directorate for Children's Services.

Next steps

I hope this provides clarity on the pay uplift for 2026-27.

The Scottish Government recognises the exceptional work of the social care workforce, and we thank them for the most important role that they play in our communities.

We appreciate you sharing this with your networks and working with us to get this uplift delivered to the workforce at speed.

Yours sincerely,

Donna Bell

Director of Social Care and National Care Service Development

Annex A

Workforce in scope (those eligible to be paid a minimum of £13.45)

Broad title	Role description
Supervisor in Care Home Services / Care at Home Services / Housing Support Services / Day Care Services / Adult Placement Services / Respite Services	Worker who holds responsibilities for providing and supervising the provision of care and/or support provided directly to adults using residential care / a user within a care at home service or of a housing support service. This also includes workers providing overnight support ¹
Practitioner in Care Home Services / Care at Home Services / Housing Support Services / Day Care Services / Adult Placement Services / Respite Services	Worker who provides care and support to adults using residential care and who has responsibility for co-ordinating the implementation of care plans. This may include holding keyworker responsibilities. This also includes workers providing overnight support.
Support Worker in Care Home Services / Care at Home Services / Housing Support Services / Day Care Services / Adult Placement Services / Respite Services	Worker employed in providing care / and or support directly to adults using residential care / a user of service within a care at home service or of a housing support service. This also includes workers providing overnight support.
Personal Assistants	Separate guidance will be provided.

¹ Overnight support is where a care worker sleeps, provides a waking night service or night sitting service, in the home of someone they support or in work premises, so that they are on hand in case of an emergency or any other issue during the night.

Services in scope

The uplift applies to commissioned services for adult social care in the independent and third sectors.

This does not include workers in children's, justice, or homelessness services.

Type of service	Definition of services
Care homes	A service which provides accommodation, together with nursing, personal care or personal support, for persons by reason of their vulnerability or need this may include for: alcohol & drug misuse, blood borne virus, learning disabilities, mental health problems, older people, physical and sensory impairment or respite care and short breaks.
Care at home	Care at home is registered by the Care Inspectorate as a support service – "Support Service – Care at home." A support service is defined as a personal care or personal support service provided by arrangement made by a local authority or health body to a vulnerable or person in need. This does not include a care home service or a service providing overnight accommodation.
Day care	Adult day care is registered as a support service – "Support service – Other than care at home." See definition above.
Housing support	A service, also defined as Supported Living, which provides support, assistance, advice or counselling to a person who has particular needs, with a view to enabling that person to occupy residential accommodation as a sole or main residence. This will include delegated and non-delegated services. The nature of the work within the contract (either residential or non-residential care) should attract the current percentage uplifts applied to the total value of the contract.

	While homelessness services largely fall out-with the scope of this policy, the Scottish Government recognises that homelessness services within the housing support sector as defined by the SSSC, where staff provide direct care, fall within the parameters of this policy.
Adult placement services	A service which consists of, or includes, arranging for the provision of accommodation for an adult (age of eighteen years or over), together with personal care or personal support or counselling, or other help, provided other than as part of a planned programme of care by reason of the person's vulnerability or need, by placing the person with a family or individual; but a service may be excepted from this definition by regulations.
All SDS options (1, 2, 3 and 4)	All SDS options where workers provide direct Adult Social Care support, either in a social care provider organisation or someone paying a Personal Assistant.
Respite services	Registerable under a care home and housing support as per the definitions above.
Shared Lives	<p>Shared Lives services are a form of care that supports people to live safely and comfortably in a home and community of their choosing. Care is provided by professional carers - either individuals, couples, or families - in their homes and as part of their local community.</p> <p>The services in scope are.</p> <ul style="list-style-type: none"> • Live-in support • Daytime support <p>The nature of the work within the contract (either residential or non-residential care) should attract the current percentage uplifts applied to the total value of the contract.</p>

Directorate for Children and Families

E: DirectorforChildrenandFamilies@gov.scot



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To: Local Authority Directors of Finance

Copy to COSLA
Integration Authority Chief Finance Officers

From: Andrew Watson, Director for Children and Families, Scottish Government

Date: 9 April 2026

Dear colleague,

Pay Uplift for Children's Social Care Workers in Commissioned Services

Further to the Real Living Wage pay uplift guidance issued on 30 March 2026, I am writing to confirm the distribution of the **£43.900** million funding provided to enable the pay uplift for eligible children's social care workers in private, voluntary and independent sectors, which was announced on 13 January 2026 as part of the Scottish Budget for 2026/27.

This funding will deliver a minimum rate of £13.45 per hour from April 2026 for eligible staff in commissioned children's social care services.

It includes baseline funding of **£29.990** million, which is repeated from 2025/26, and additional funding of **£13.910** million, to cover for the 6.75% increase in Real Living Wage from £12.60 an hour in 2025/26 to £13.45 an hour in 2026/27.

The funding will be allocated using the Grant Aided Expenditure (GAE) formula for '[Changing Children's Services Development Fund 2026/27](#)', and distributed to Local Authorities via weekly General Revenue Grant payments from April 2026, with the exception of £2.9 million, which will be paid as a redetermination of the General Revenue Grant in March 2027.

Please find attached each Local Authority's share of the funding (**Annex A**).

Where eligible services are delegated to Integration Authorities, funding is to be passed on to Integration Authorities. This funding should be additional and not substitutional to each Local Authority's 2026/27 recurring budgets for children's social care services.

Yours Sincerely

ANDREW WATSON

Director, Children and Families

Victoria Quay, Edinburgh EH6 6QQ
www.gov.scot



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Distribution of funding for the children's social care pay uplift

Local Authority	£ million
Aberdeen City	1.493
Aberdeenshire	2.324
Angus	0.983
Argyll & Bute	0.701
City of Edinburgh	2.927
Clackmannanshire	0.446
Dumfries and Galloway	1.411
Dundee City	1.194
East Ayrshire	1.080
East Dunbartonshire	0.652
East Lothian	0.859
East Renfrewshire	0.639
Falkirk	1.252
Fife	3.008
Glasgow	5.562
Highland	2.171
Inverclyde	0.615
Midlothian	0.786
Moray	0.805
Na h-Eilean Siar	0.275
North Ayrshire	1.185
North Lanarkshire	2.943
Orkney	0.219
Perth & Kinross	1.217
Renfrewshire	1.358
Scottish Borders	1.012
Shetland	0.267
South Ayrshire	0.844
South Lanarkshire	2.576
Stirling	0.689
West Dunbartonshire	0.802
West Lothian	1.602
Scotland	43.900