

Consultation on a Fair Pay Agreement (FPA) process in adult social care Acas response

16 January 2026

This is the Acas Council response to the consultation on the [Fair pay agreement in adult social care consultation](#).

Representation on the ASC Negotiating Body

Are there any specific criteria that you think the Secretary of State for Health and Social Care should consider when appointing members to the Adult Social Care Negotiating Body (ASCNB)?

Acas response: yes

Please explain your position and provide any supporting evidence. (Optional) If you answered yes, please also state the criteria you think should be considered. (Max 250 words)

1. Acas supports the principle of fair pay agreements. Structures for dialogue and negotiation at the sectoral level can strengthen workplace relations and improve outcomes for both workers and businesses. This is supported by the ILO whose 2024 [social dialogue report](#) advocates for processes that bring together social partners at national and sectoral level.
2. Acas notes the complexity and fragility of the social care sector, already grappling with significant challenges and cost pressures, particularly for small care providers. The Government will need to carefully design the process to ensure sectoral arrangements are long-lasting and command wide support.
3. Acas agrees that the ASCNB membership should find a balance between appointing members who are genuinely representative of the sector, including small businesses, while maintaining a manageable size to avoid unwieldy negotiations. Using Acas's practical experience of collective discussions, to ensure a representative and effective negotiation process we recommend the following key principles:
 - ensuring representatives on the ASCNB can effectively communicate with and represent the workers and employers in this diverse and complex sector
 - equal balance between worker and employer representatives
 - ensuring that decision-makers are present in negotiations
 - encouraging worker and employer membership to establish processes to reach internal agreement
 - ensuring that all members receive training in effective negotiation
4. Acas supports the importance of the ASCNB having access to those with relevant technical expertise, for example of the complexities of funding and pay in the sector, capacity to provide modelling on workforce issues, and good practice on care.

Negotiating process

Do you think 6 months is enough time for an agreement to be reached in negotiations? (Mandatory)

Acas response: yes

Please explain your position and provide any supporting evidence.?(Optional)

5. Acas agrees that it is important to set a timeline for negotiations, and that six months could provide enough time for the parties to reach agreement. Alongside that, we welcome the proposal that negotiations may be extended if they do not complete in six months. This will provide useful flexibility to the negotiation timetable and avoid curtailing productive discussions where agreement is not fully reached within 6 months. This flexibility is particularly important while the process is bedding in as the participants may be unfamiliar with the nature of collective negotiations. In our experience, setting an initial period of time for negotiations is likely to provide a useful focus to drive negotiations towards agreement. At the same time, maintaining flexibility in the timeline is important, particularly in collective discussions involving multiple stakeholders with varying viewpoints. Otherwise, there is a risk that a constructive negotiation could be derailed by a late disagreement that would be resolvable with sufficient time.
6. Taking steps ahead of the negotiation process to provide information is likely to contribute towards a successful negotiation within the planned timescale. For example, this should include detail on any multi-year funding arrangements for the sector where possible. This will:
 - provide a clear framework for the negotiation
 - help parties with longer-term planning for subsequent negotiations

Do you think 6 months is enough time for the sector to prepare for implementation of the pay agreement??(Mandatory)

Acas response: don't know

Please explain your position and provide any supporting evidence.?(Optional) (Max 250 words)

7. Acas recommends the Government provide guidance and support on the following areas to ensure the sector is as well prepared as possible for implementation of an FPA:
 - improving awareness and understanding of what a fair pay agreement is
 - how it will work
 - scope of the ASCNB's remit
 - the rights an FPA will provide workers and the responsibilities an FPA will place on employers.
 - the context of numerous concurrent employment law reforms under the Make Work Pay programme
8. It will be imperative to use the time available ahead of the proposed Autumn 2027 date for conducting and concluding the first agreement to ensure that the sector is well prepared to implement that FPA. The experience of Acas operational staff shows that many SMEs (who make up the large proportion of adult social care providers - <https://www.kingsfund.org.uk/insight-and-analysis/data-and-charts/key-facts-figures-adult-social-care>) lack formal pay policies with structured pay bands, do not have an objective approach to job evaluation, and may not have formal policies in place on other employment relations issues. A DBT [statistical bulletin on trade union membership](#) shows only around 10% of workers in organisations with fewer than 50 staff use collective bargaining for pay, and only 30% of small workplaces have a trade union presence. It will be imperative to provide targeted support and guidance to improve awareness and understanding of what an FPA means for these businesses.

Dispute resolution

Do you agree or disagree with our proposed approach to dispute resolution, where disputes are triggered by the chair and referred to Acas for independent resolution? (Optional)?

Acas response: strongly agree

Please explain your answer and provide any supporting evidence.?(Optional) (Max 250 words)

9. Acas is well placed for a dispute resolution role and agrees parties should be able to choose the most appropriate method to reach resolution. This role fits Acas's statutory duties to promote the improvement of industrial relations and resolve disputes.
10. We ask that the Department of Health and Social Care (DHSC) works with Acas to:
 - agree details of the role,
 - ensure wording of secondary legislation concerning Acas is appropriate
 - explore options for ASCNB engagement with Acas earlier in negotiations
 - shape terms of reference for the process that leads to Acas's involvement
11. Acas's successes in intervening in collective disputes include:
 - collective conciliators facilitating discussions in 618 disputes, resolving or supporting progress towards settlement in 94% of cases in 2023 to 2024
 - collective conciliators facilitating discussions in 522 disputes, resolving or supporting progress towards settlement in 93% of cases in 2024 to 2025
12. Acas recommends exploring whether the point at which the ASCNB triggers Acas's dispute resolution role could be earlier than currently proposed, for example where discussions are proving challenging but have not reached an impasse. This could cover single issue stalling points or where parties agree to contact Acas for advice or support on overcoming an issue.
13. Earlier intervention can improve chances of agreement. 2024 research [continuity and change in collective workplace conflict in Britain](#), shows that Acas involvement is most effective before parties' positions become entrenched. We agree that the method of resolution should be flexible and be the most appropriate for a given dispute.

Implementation

What do you think should be included in guidance and communications to support you to implement fair pay agreements??(Optional) (Max 250 words)

Acas recommends guidance and communications in:

Preparation for implementing ASCNB and FPA

14. Acas's experience helping workers and employers understand employment law shows the importance of familiarising parties with:
 1. the ASCNB's role
 2. how FPAs will be negotiated
 3. rights and obligations stemming from an agreement
 4. roles of associated organisations including Acas and the FWA.
15. Employer and trade union participants to this process will have a range of knowledge and experience of collective bargaining. SMEs in the social care sector are likely to lack knowledge and experience of collective bargaining. Acas believes it is vital that the government ensures parties have shared understanding of both collective bargaining and Acas's dispute resolution role. Proposed timescales for negotiation and implementation mean this work should begin well before the first round of negotiations.

Implementing an agreed FPA

16. Acas agrees that clear, accessible guidance will be critical to successfully implementing an FPA. This should clearly set out:
- contents of the FPA so both employers and workers know what has been agreed
 - legal risks of getting implementation wrong, reasons and examples for employers to engage with the FPA.
 - options for early dispute resolution and enforcement
 - sources of advice e.g. DHSC website on fair pay agreement content, Acas website/helpline on resolving disputes and the Fair Work Agency for enforcement advice
 - targeted guidance/support for vulnerable workers and SMEs
17. Government should equip employers and workers with the skills and behaviours to prevent, manage and resolve disputes.

Do you agree or disagree that DHSC and the ASC Negotiating Body should co-author and publish guidance??(Optional)?(Max 250 words)

Acas response: strongly agree

Please explain your answer and provide any supporting evidence.?(Optional)

18. Acas agrees that the DHSC and ASCNB are best placed to co-produce guidance and any Code(s) given their primary roles and involvement in the process of agreeing an FPA. Acas would be happy to advise on any guidance or Codes of Practice created, particularly based on our role of producing Codes for other jurisdictions.
19. Acas would be willing to explore developing our own non-statutory guidance on an agreed dispute resolution role during the fair pay agreement process, if enacted.
20. Acas will also update our existing guidance as required due to the implementation of a fair pay agreement. That might be, for example, updating guidance on underpayment of wages to set out enforcement options where an FPA is relevant or set out relevant enforcement options where there is an individual dispute as a result of an FPA.

Compliance and enforcement

Please share any other views or comments about how the department can support providers and commissioners of care to comply with a fair pay agreement.?(Optional)?(Max 250 words)

21. Acas recommends that DHSC, the ASCNB, the FWA, and other relevant bodies, support compliance with an FPA by:
- ensuring consistent messaging across guidance and any Codes of Practice
 - encouraging a co-ordinated, strategic approach to providing support, dispute resolution and enforcement of an FPA.
22. Acas is ready to discuss how our guidance, training and advice services could support FPA implementation and enforcement.
23. Acas recommends the government works with Acas to help improve skills, knowledge and understanding in employment relations and conflict management. As a priority Government should invest in support for all parties directly involved in the FPA and should encourage all parties to invest in wider training on working with trade unions, roles of representatives and managers and dealing with conflict
24. Research on [prevalence of conflict at work](#) shows that 44% of people reported experiencing conflict at work during the last 12 months. Conflict levels in the health and social care sector were above the average at 47%. Estimated costs of individual-level conflict for UK organisations estimates the total cost to organisations at around £28.5 billion each year, equating to £1,000 for every worker in the UK (see [Acas \(2021\) Estimating the costs of workplace conflict](#)).
25. Acas has seen shortfalls in collaboration, conflict management and dispute resolution skills among workplace actors which hamper early conflict resolution, especially line managers. Addressing this shortfall would support employers to resolve disagreements before they escalate to more costly formal stages.