



## Department of Health & Social Care

2 February 2018

Dear Sir/Madam,

This letter is to update you on the Government's plans to conduct further analysis of the impact of liabilities for the historical underpayment of the National Minimum Wage (NMW) for 'sleep-in' shifts in the social care sector.

First of all, I would like to thank those providers and representative bodies who assisted with the last piece of market analysis undertaken by Deloitte. This work was invaluable in developing our understanding of what is a complex issue and would not have been possible had it not been for your participation and engagement.

For the next phase of analysis, Frontier Economics and LaingBuisson have been commissioned to conduct further research to gauge the extent of liabilities for underpayment of the NMW for sleep-in shifts; and the impact of these liabilities on the sector. The aim of this piece of work is to build on the understanding gained through the market analysis conducted by Deloitte. This will support the Government in considering the matter, by providing evidence around this important issue.

This work will be undertaken during January-March 2018 and will include gathering information from local authorities and Clinical Commissioning Groups throughout England and a random sample of social care providers in England. Providers who are included in the random sample will be requested to submit their returns later in February. Identifiable provider data will be gathered by LaingBuisson for the purposes of this research, but will be treated confidentially and will not be shared with any Government departments or agencies.

I wanted to take this opportunity to emphasise that whilst the first set of analysis undertaken by Deloitte was useful, it was also necessarily limited by the requirement to obtain evidence in a very short space of time over the summer. This second phase will give providers more time to respond, and will look to obtain responses from a wider sample of the provider market. This will consequently increase the strength of the evidence, giving Ministers better information on which to base their decisions. To build this evidence base, it is essential that as many providers respond as possible.

We know that concerns have been expressed about the confidentiality of the data provided to Deloitte, particularly with regards to sharing information with HMRC. We



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would like to assure providers that no identifiable data has been shared with any Government department. The forthcoming survey will also be confidential, and is separate to any ongoing, or future, engagement with HMRC.

Providers will be supported through this exercise by a team within LaingBuisson who are able to offer assistance in gathering and inputting the relevant data. Representatives of larger providers are also available to discuss any concerns smaller providers have with the exercise. LaingBuisson can be reached at [data@laingbuisson.com](mailto:data@laingbuisson.com) or on 020 7923 5395.

Yours faithfully,

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