

[Click here for menu](#)

Laura Sharman 08 September 2015

Care underfunding could cause market crash, warns association



Nearly a quarter of care providers could exit the market as a result of councils underfunding placements by 8%, a new survey has revealed.

The survey, conducted by the National Care Association, found 24% of independent care providers are warning that underfunding by local authorities and having to introduce the new Living Wage next year will make their businesses financially unviable.

The National Care Association said such an exit would equate to the loss of 40,000 beds in the independent social care market.

Chairman of the National Care Association, Nadra Ahmed, said: 'The chronic underfunding of social care by local authorities is prompting the systematic collapse of the independent social care market, which could, in turn,

mean thousands of frail older people will not be able to access the care and support they need at a time when they are at their most vulnerable.

'This will create a pathway into the NHS, which the state can ill afford, resulting in hospital admissions for non-acute conditions.'