

14th February 2024

The Prime Minister

House of Commons London SW1A 0AA

Dear Prime Minister,

In anticipation of the Budget announcement on the 6th March we are asking for your urgent review of the Treasury allocation of **24/25 funding for the Social Care Sector in England**.

We believe that there is an immediacy to action required to ensure that we can continue to deliver care and support to some of the most vulnerable members of our society as we enter another financial year and to meet the circa **£12 - £14** billion shortfall identified by independent analysts of the sector.

You will be aware of the anticipated inflationary pressures relating to the Government setting the National Living Wage rate of £11.44, an increase of circa 10%, announced in the Autumn Statement, and the Office for Budgetary Responsibility (OBR) assessment of inflation for next financial year of 3% (as measured by the Consumer Price Index (CPI)).

Social Care is a sector that remains chronically underfunded but is faced with increased expectations year on year to support people with complex **health** care needs and provide essential partnership to our NHS colleagues. Often people discharged into our care will have conditions which require additional skills training for our staff, but without additional funding to recognise their knowledge or experience or indeed the value of the work they do.

As citizens we are painfully aware of the financial challenges faced by our nation, but it is time that social care was prioritised politically and valued for its **£50+ billion contribution** to the public purse. You will be aware that this Government commissioned and accepted the findings of the Fair Cost of Care (FCC) exercise but did not fund local authorities to meet their obligations or indeed their duty of care. The intention was that these findings would be used to ensure that Local Authorities (LA) would be compelled to pay the true cost of care – clearly the findings of the exercise led government to abandon any promises once again.

It should be noted that the recent figure highlighted by LBC radio clearly show that we had circa 500+ care home closures last year, this trend along with vital community-based services being unable to continue operating in 2024 is being felt across the country. This is having a devastating impact on thousands of marginalised individuals and their families who rely on our members to provide essential social care and support.



Key facts:

We would emphasise to you the reality and implications of the human cost this chronic under investment has on thousands of lifesaving services that we provide:

- **We have over 152000 staff vacancies in the sector and will need an additional 500,000 by the 2030's.**
- **Inflationary costs impact care providers as they do all citizens which include energy, food prices, interest rates etc.**
- **Social Care supports people with complex health care needs who would have been supported in the NHS 15 years ago.**

Additionally, we would like to highlight the impact on the recently announced removal of the 20% discount to meet the salary thresholds of international recruits. Ironically, this in itself is a government acknowledgement that the hourly rate for Social Care workers should be circa £13ph, which represents a 20% increase on the NLW. To grow our domestic workforce, we must not create a tiering for international recruits which disadvantages domestic employment.

These changes create an atmosphere of uncertainty, especially following the recent cost of living crisis, increased energy and insurance costs and ongoing inflationary challenges. We know that the process, although not yet in operation, is already impacting on those we are trying to recruit and those who are already in the country and in employment.

We have witnessed an extended period of underfunding and broken promises in relation to Social Care by successive governments. This lack of support over the past two decades and nominal support throughout the COVID-19 pandemic, have illuminated that no lessons have been learned and the neglect of our sector and those we support continues in the aftermath.

We are cognisant to the fact that a large proportion of NHS and Local Authority expenditure is spent in Social Care which includes children's service. In order to meet the budgetary shortfalls, we see local authorities being forced to increase council tax which also affects us as constituents. It is clear from engagement with NHS and Local Authority leaders that they remain concerned about their ability to offer sustainable increases to the providers we represent.

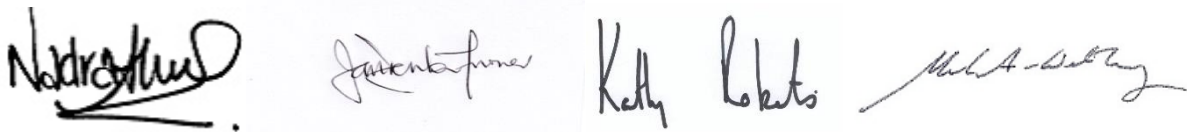
Given the additional and ongoing problems for providers, our workforce, and the people we support set out in this letter, I would urge you to question the Department of Health and Social Care on the priorities they will bring forward for your general election manifesto.

The National Care Association, Care Association Alliance and Association of Mental Health Providers as the voice of several thousand members are calling for the following as a bare minimum to support the millions of people we care for:

- **An urgent review of the Treasury allocation for Social Care and Support services, focused on asking why Local Authorities and Health commissioners are not appropriately funded to support proportionate fee 24/25 budget uplifts to all providers.**
- **Communication as to what the governments long-term plan for social care will be and a date when the national workforce plan will be published.**
- **That as Prime Minister, you galvanise the portfolios of Ministers responsible for addressing these issues and their real-life impact on the most marginalised in our society.**

We urgently require your help to get assistance with this ongoing crisis.

Yours sincerely,



Nadra Ahmed CBE Executive Co-Chair of National Care Association

Ian Turner Co-Chair of National Care Association

Kathy Roberts MBE Chief Executive Association of Mental Health Providers

Melanie Weatherly MBE Co-Chair Care Association Alliance