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27th October 2022

The Rt Hon Rishi Sunak MP
Prime Minister of the United Kingdom
10 Downing Street
London SW1A 2AA

Dear Prime Minister,

I am writing to congratulate you on your election as leader of the Conservative Party and appointment as Prime Minister of the United Kingdom on 25 October 2022.

In your inaugural speech as Prime Minister, you spoke of your intention to 'deliver' on the mandate that your party earned in 2019. You described 'a mandate that belongs to, and unites, all of us,' saying that 'the heart of that mandate is our manifesto.'

As the largest and most diverse representative body for independent providers of adult social care, Care England looks forward to working with you to ensure that the Conservative manifesto promise to ['fix social care'](#) is actualised. As a critical friend of the Government, Care England hopes to maintain constructive relationships with relevant Departments to help deliver solutions that will lead to the best outcomes for the highly vulnerable adult social care sector and bring about a sustainable future.

Your previous work, including as Chancellor of the Exchequer in the second Johnson ministry, means you are no doubt well aware of the mounting issues facing the social care sector and are well placed to implement the reforms required to address them.

Care England has been in regular correspondence with colleagues from across Government over recent months, detailing the scale and severity of these issues. To give you and your new Government the best possible starting point to actualise change, we have set out what we view as immediate solutions below. We would welcome your support in implementing them.

Reform delays

The social care reforms introduced by the previous Government were a key aspect of the manifesto commitment and described as an essential first step in moving the sector towards a more sustainable future. Through the Health and Social Care Levy, the Government committed £5.4bn for adult social care charging reforms over 3 years from April 2022, with only £1.36bn provisioned for Local Authorities to increase care fees paid to providers through the Fair Cost of Care reform.

Any delay to the £1.36bn funding provisioned for the Fair Cost of Care to address historic underfunding of social care and move care fees closer to a fair cost of care will see providers halt investment in their workforce, cease recruiting from overseas and temporary agency staffing and scale back services to operate within current workforce availability, directly increasing the NHS discharge backlog further.

As we quickly approach Winter, it is imperative that providers can plan ahead. If the promised funding is removed and inflation is not appropriately addressed by way of the Local Government settlement for 2023/24, care providers will simply have no choice but to scale back their services permanently or close altogether.

With interest rates rising, borrowing more challenging, workforce attrition higher than retention, agency costs rising, and uncertainty due to energy price volatility, finances are strained like never before. Providers can no longer accept underfunded residents; they are increasingly terminating, renegotiating, and handing back underfunded packages of care, which will only increase if funding is taken off the table and inflation is not appropriately addressed in the upcoming funding settlement. This would have catastrophic effects on the NHS and on those who rely on adult social care.

Reforms must continue at pace if the Government is truly committed to fixing social care in this term and wishes to bring about a sustainable care provision in the immediate future.

Energy

The ongoing energy crisis is having a profound effect on businesses and individuals across the country. In few sectors, has this effect been as detrimental as in adult social care, where the disproportionate impact of energy price rises is threatening the existence of care providers nationwide, who are required to heat facilities this winter and increase ventilation by 'letting in fresh air into indoor spaces' in line [IPC Guidance](#).

The announcement of the [Energy Bill Relief Scheme](#), while offering much-needed short-term stability to care providers, does not represent the long-term strategy needed to support the sector through the ongoing energy crisis. Even with the support outlined in the scheme, the financial pressures facing providers remain largely unsustainable as they continue to face a three-to-four-fold increase in August 2021 energy prices. To withdraw the current measures of support after 31 March, 2023 would be an immense oversight by the Government and must be ruled out as a matter of urgency.

Care England has written to the newly appointed Secretary of State for Business, Energy, and Industrial Strategy outlining our key asks in detail, which will deliver immediate savings to both care providers and the Government. Within that letter, we proposed a more financially responsible solution to reducing the exposure of public finances to unlimited volatility in international gas prices by extending the Energy Bill Relief Scheme beyond 1 April 2023 for the care sector, which we hope can be considered in the Treasury-led review.

Funding

As you are undoubtedly aware from your time as Chancellor, the care sector has been chronically underfunded and neglected by the central Government for far too long.

As a part of the Government's [Plan for Patients](#), the previous Secretary of State for Health and Social Care announced her intention to 'rebalance funding across health and care' and 'establish a strong and sustainable social care sector'. While these comments grasp the nettle of what is required, current plans fail to match them with sufficient funding for delivery. We are yet to understand the finer detail of where this funding will now come from following the repeal of the Health and Social Care Levy.

Recent reports from the [Levelling Up, Housing and Communities Committee](#) and [Health and Social Care Committee](#) identified an annual funding gap of £7bn for the care sector, describing increased levels of funding as an absolute necessity. The Local Government Association has [identified](#) the necessary increase in funding for the sector to be as high as £13bn. We urge the Government to immediately commit to Government funding increases of this magnitude to stabilise the sector for it to be able to move forward.



The CQC's [State of Care Report 2021/22](#) highlights that the challenges services now face are due to historic underinvestment. The report recommends that the focus must now be on long-term planning and sustainable investment. Ensuring the future sustainability of the social care sector market through appropriate investment is of fundamental importance for the sector itself but also for England's society and economy in broad terms. A mixed economy is and will continue to be, the best means of ensuring that quality care is both maintained and increased.

Workforce

While the workforce is the social care sector's greatest asset, it is currently in a crisis that is rapidly worsening. The recent Skills for Care report into [The state of the adult social care sector and workforce in England](#) revealed an increase of 52% in vacancies, now totalling 165,000, since October 2021 against a record 38-year low for unemployment. Another recent revelation by the [South East Care Alliance \(SESCA\)](#), since validated nationally, reported that over 45% of care providers in the South East were considering exiting the market.

Without immediate support, the sector is facing a mass exodus of care providers across the country. This will be devastating not only for those receiving care and their loved ones but also through the catastrophic knock-on effects it will have on the NHS and social care commissioning. While Care England welcomes the injection of a £15m fund to support the international recruitment of care workers, it is but a drop in the ocean of the real funding required to fill vacancies across the sector and is unlikely to see recruits starting before Q2 of 2023.

Care England supports the recommendations of the Health and Social Care Committee's recent reports, both the [workforce report](#) and their [evaluation of Government commitments](#), and encourages you to implement their recommendations as a matter of urgency.

Separate from the points above, figures from across the social care sector were deeply disappointed to learn of the previous Prime Minister's decision not to appoint a dedicated Minister for Social Care. Given the scale and severity of the challenges facing the sector, we would strongly encourage you to do so.

Your new Government has both the opportunity and responsibility to enact substantial, long-overdue reform of the care sector. I sincerely hope that you will do everything in your new role to deliver the necessary change.

I would welcome the opportunity to meet with you to discuss the issues raised in this letter, and pragmatic solutions to them, in more detail at your earliest convenience.

Yours faithfully,



Professor Martin Green OBE
Chief Executive, Care England

