The Chancellor
House of Commons
London
SW1A 0AA

12th November 2024

Dear Rachel Reeves,

Budget October 2024 Providers Unite
Across Community Care and Support Services

As providers of vital services to over 1.2 million individuals nationwide and employers of a dedicated 1.59 million workforce, we deliver £68.1 billion in essential community care and support services. We call upon you to recognise our role as an indispensable pillar in Britain's healthcare infrastructure, standing alongside our NHS colleagues.

We write as a united voice, urging you to consider the profound impact of the proposed tax increases on all those who depend on us. Like GPs, pharmacies and hospices, we are independent businesses and charities embedded in every corner of our communities, committed to supporting citizens with diverse needs. With the state funding more than 70% of our work, we deliver an essential public service.

The current Budget measures risks eroding the foundations of the public services we deliver, which extend far beyond elderly care. They include mental health, domiciliary care, learning disabilities, supported living, and other specialised services. To remain viable, these services require appropriate levels of state funding to meet the varied and growing needs of our communities.

While we acknowledge the government's responsibility to address the £59 billion public deficit, the new Budget measures threaten to deepen an already critical £8.4 billion funding shortfall in our sector.

Impact of National Living Wage Increase and Employer Costs from April 2025:

Although the increase in the National Living Wage is beneficial for our staff, concurrent Budget changes, specifically the rise in National Insurance contributions and the lowered thresholds are set to drive an unsustainable minimum 9.4% increase in employer costs. For those committed to paying the Real Living Wage and expanding employment opportunities to our future workforce under 21, this impact is projected to soar above 12%. This total far exceeds the £600 million allocated to Local Authorities, the primary commissioners of our services, and who must spread this funding across all their responsibilities under the Care Act 2014. These include support for children's services as well as financial pressures in other areas including special educational need.

Cost Assessment by the Office for Budget Responsibility (OBR):
According to OBR data, this will cost an estimated £800* per employee.
However, our analysis suggests that the real impact for Employers is underestimated, potentially **exceeding projections by over £1 billion.**

In summary, this policy risks triggering a cascade of contract surrenders and service reductions, leaving our most overlooked citizens without essential social care and potentially forcing more people onto NHS waiting lists.

We urgently call for an immediate review of these measures and for the establishment of exemptions similar to those granted to the NHS. Alternatively, we ask that the Local Government Finance settlement be urgently adjusted to bridge this funding gap. We welcome the opportunity to consult with you to explore the options.

The alternative is nothing short of a systematic collapse of community care services across Britain.

*Source: Page 53 of Economic and fiscal outlook – CP 1169

Yours Sincerely,

Nadra Ahmed, CBE and Ian Turner, OBE – Exec Co-Chairs National Care Association
Matthew Airey, Wessex Care Ltd.
Kate Allen, Ategi
Mary Anson, Cornwall Partners in Care
Anita Astle, MBE, Wren Hall Nursing Home
Michelle Atkinson, Leeds Care Association
Lynette Barrett, National Star
Julie Bass, Turning Point
Louise Bestwick, Bradford Care Association
Suzanne Booker, Lillian Faithfull Care
Juliet Briggs, Staffordshire Care Association
Sarah Burslem, MacIntyre
Victoria Buyer, Age UK Lancashire
Peter Calderbank, Field Lane
John Casson, CMG, L'Arche UK
Kate Chate, Tim Kielty, Jack Marshall, Scott Watkin, Learning Disability England
David Coe, AFK
Eddie Coombes, Optima Care
Alison Cooper, Parity for Disability
Kathryn Courtenay-Evans, Guideposts Trust
Geoffrey Cox, Devon Care Homes Collaborative & Southern Healthcare
James Creegan, Kirklees Care Association and Wakefield ISLG
Christopher Crocker, Big Picture Care Group
David Crosby, Partners in Care (Shropshire, Telford & Wrekin and Cheshire)
Craig Crowley, Action Deafness

Hilary Crowhurst, Milestones Trust
Holly Dagnall, NCHA Homes and Wellbeing
Sally Daniels, - Henshaws
Karen Deacon, Queen Elizabeth Foundation
Paul de Savary, Home From Home Care
Rachael Dodgson, Dimensions
Adam Dodd, Minstead Trust
Angela Duce, Harpenden Mencap
Aisling Duffy, Certitude
Prema Fairburn-Dorai, Suffolk Care Association
Pierre Falleth, Derbyshire Care Providers Association
Christine Futter, Norfolk Care Association
Karolina Gerlich, Care Workers Charity
Katie Ghose, Kids
Ruth Gorman, Imagine, Act and Succeed
Chris Graham, Trust Care
Professor Martin Green, OBE, Care England
Becky Hamilton, Winward Day Services
Julie Harding, Sarcp Staffordshire Care Association
Emma Heath, Hampshire Care Association (HCA)
John Heritage, David Lewis
Diane Hesketh, Natural Breaks
Lisa Hopkins, SeeAbility
Jo Howes, Wiltshire Care Partnership
Jo Howell, Northam Care Trust
Dr. Rhidian Hughes, Voluntary Organisations Disability Group (VODG)
Jane Hughes, Mental Health Matters
Chris Ingram, Style Acre
Rahul Jagota, Essex Care Association
Lucy Jolliffe, Autonomy Care Group Limited
Jim Kane, Community Integrated Trust
Sarah Kennedy, Turning Point
Kamal Khan, Spring View Care Ltd.
Abbey King, The Shrewsbury Ark
Ewan King, Shared Lives Plus
Karyn Kirkpatrick, KeyRing Living Support Networks
Adam Kights, North East Lincolnshire Care Association (NELCA)
Anna Knight, Dorset Care Association
Jo Land, Avenues Group
Julie Layton, Advance
Patrick Long, Inspire
Sue Livett, Aldingbourne Trust
Gabby Machell, Learning Disability Network London
Sarah Maguire, Choice Support
Elaine Mathers, Imagine Independence
Paul McCay, The Wilf Ward Family Trust
Anna McEwen, Bromley Mencap

Nicola McLeish, Surrey Care Association Ltd.
Sarah Miller, Papworth Trust
Maria Mills, Active Prospects
Riki Moody, Gloucestershire Care Providers Association
Sam Monaghan, Methodist Homes Association
Emma Morris, Stockdales
Gill Morris, Future Social Care Coalition
Phil Morris, Havencare Homes and Support Ltd.
Dr. Claire Mould, Heart of England Mencap
Theresa Mummery, Parchment Trust Ltd.
Angela Murphy, Fitzroy
Victoria Neish, Coquet Trust
Jackie O'Sullivan, Mencap
Dr. Ruth Owen, OBE, Leonard Cheshire
Mike Padgham, Independent Care Group
Clive Parry, ARC England
Minesh Patel, Mind
Rosemary Pavoni, WSPiC
Rachel Peacock, Making Space
Belinda Phipps, United Response
Ramsey Piggott, Lodge Trust
Joyce Pinfield, Worcester Gardens Ltd
Ian Pritchard, Alternative Futures Group
Professor Vic Rayner, OBE, National Care Forum
Nicola Richard, Palms Row Healthcare Ltd, Sheffield Care Association, Support Social Care Heroes
Kathy Roberts, MBE, Association of Mental Health Providers
Hilary Robinson, Registered Care Providers Association
Raj Sehgal, ArmsCare Ltd
Robert Shanahan, Aspens
Stephen Shatwell, Reach UK
Jeff Skipp, Ability Housing Association
David Smallcombe, Care and Support West
Irene Sobowale, Brainkind
Holly Spiers, Walsingham Support
Angela Steggles, Norfolk and Suffolk Care and Support
Amrit Sumal, Superior Care (Midlands) Ltd
David Tanner, Berkshire Care Association
Ann Taylor, Kent Integrated Care Alliance
Paul Tolley, New Directions Rugby
Dee Tormey, Baronsmede Family Homes
Dr. Jane Townson, OBE, Homecare Association
Stephen Veevers, Hft
Michael Voges, ARCO
Ru Watkins, Hamelin
James Watson-O'Neill, SignHealth
Peter Webb, London Care and Support Forum

Melaine Weatherly, MBE, Care Association Alliance, LinCA and Walnut Care Ltd.
Sarah Whalley, Parchment Trust Ltd.
Lisa Wimborne, Jewish Blind and Disabled
Mark Winstanley, Rethink Mental Illness
Sarah Wyatt, Our House Waingroves Ltd.