

United Response

Spring Budget Representation

January 2023



About United Response

Since 1973 United Response has been supporting people with learning disabilities, mental health or physical support needs to live their life to the full. Our team of 3,400 people work across 330 locations in England and Wales to support around 2,000 people aged 16 to 65+. We campaign to ensure the people we support have equal access to the same rights and opportunities and challenge the negative attitudes and discrimination they face.

Recommendations

- Introduce VAT exemptions on social care worker agency staff costs, as is already the case for the NHS. Review how a cap on overall agency costs could be introduced, following the NHS model
- Bring in national pay rates for social care staff, aligned to NHS agenda for change with front-line care staff aligned with NHS pay band 3 and ensure that this is realistically funded
- Build capacity within the sector to support innovative approaches to commissioning and delivery of support services for adults and young people with autism and learning disabilities

Agency use

Last year United Response contributed to Cordis Bright's financial impact assessment into learning disability and autism social care providers. That report found that through unavoidable use of agency staff, providers have seen agency costs increased by over 250% over the past three years¹. Despite the policy measures introduced in the winter statement² to address the growing number of vacancies in social care, we do not predict that agency use will decrease in the short term. At a time when social care is already under increasing financial pressure, putting in place a cap on the hourly rate agencies can charge social care providers, as is the case for the NHS. In the past three years United Response has spent £984,945 on VAT for agency bills, if VAT recovery on agency spend was introduced that money would be available to re-invest to service delivery.

¹ <https://www.cordisbright.co.uk/admin/resources/market-oversight-report-cordis-bright-final.pdf>

² <https://www.gov.uk/government/publications/adult-social-care-winter-statement-2022-to-2023>

Pay parity with the NHS

The Build Back Better plan quite rightly, highlighted the immense pressures that social care professionals face in their day-to-day role. It also recognised social care workers importance within the wider health and social care system. We welcomed the promises to “make care work a more rewarding vocation” by investing in long-term professional development and well-being. But the plan did not go far enough and put forward proposals to adequately reward staff for a role that is so vitally important within society.

The staffing shortages facing social care providers are well documented. Skills For Care estimate that vacancies rose to around 52% in 2021/22³. These gaps have directly contributed to a marked decline in care quality in three-quarters of all care homes in England. What’s more, shockingly, half of England’s social care professionals earn less than entry-level supermarket roles⁴.

To address this, we believe government should make pay parity with social care staff a priority for the spring budget. Tying the pay rates for staff working in social care should to the NHS Agenda For Change would address immediate and long term pressures on providers, and help with the professionalisation of the social care workforce. We estimate most front-line care staff would be aligned with NHS Pay Band 3, which is currently £11.11 per hour. Government could supply additional and targeted funding for this with a requirement for providers and employers to provide an audit trail that the funding has gone directly to wages.

Driving innovation within social care

The increasing pressures on United Response and other not-for-profit providers of services for people with learning disabilities and autistic people has meant that many are looking to use reserves to cover operating costs. We are not alone in facing the choice between continuing to operate at a deficit, or hand back services. Recent research from ARC highlights that the fees paid by local authorities have fallen behind the cost of delivering care and support and annual uplifts have not kept in line with inflation⁵.

To tackle this, we would like to see government add further investment to the £70 million allocated for improvement within People at the Heart of Care white paper to develop innovate approaches to commissioning and delivering services.

³ <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/Data-and-publications.aspx>

⁴ <https://www.theguardian.com/society/2022/aug/24/half-of-care-workers-in-england-earn-less-than-entry-level-supermarket-roles>

⁵ <https://arcengland.org.uk/fee-rate-data-maps/>

We believe this additional funding would build capacity within the sector to explore moving to an outcomes over hours approach to commissioning and how they can make more effective use of the existing funding allocated towards adult social care.

Contact

For further information please contact
Ali Gunn, Head of Public Affairs and Policy at United Response
ali.gunn@unitedresponse.org.uk