

**Rt Hon Rachel Reeves MP**  
**Chancellor of the Exchequer**  
**HM Treasury**  
**1 Horse Guards Road**  
**London**  
**SW1A 2HQ**

29 November 2024

cc:

*Ms Shona Robison MSP, Cabinet Secretary for Finance & Local Government, Scottish Government*

*Rt Hon Ian Murray MP, Secretary of State for Scotland, UK Government*

*Rt Hon Angela Rayner MP, Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government*

*Mr Anas Sarwar MSP, Leader of the Scottish Labour Party*

Dear Chancellor

**The Consequences of Employers' National Insurance Changes for Not-for-Profit Social Care Providers.**

We are writing to you as the Coalition of Care and Support Providers in Scotland – the representative body for Scotland's largest not-for-profit social care organisations – to urge you to reconsider your decision, as communicated to NCVO this week, not to exempt organisations like ours, at source, from UK Employers' National Insurance changes.

Earlier this month you presented your first Budget, in unprecedented times, to set the ground for economic stability, for growth and as a step towards fixing our broken public services. We are partners in the delivery of public services to some of our country's most vulnerable citizens, largely through public sector contracts. This is the reality of contemporary, publicly funded, service delivery. As such, we are dismayed that it seems we are not included in your definition of the public sector for application of relief from eNICs.

We estimate that our CCPS community of not-for-profit providers alone will face an additional bill in the region of £30 million next year to cover both the NI rate increase and the threshold reduction. This is money we do not have, nor money we can see any means to secure.

To put this in the context of our current position: In March 2024, over 80% of our members who responded to a survey told us they were delivering public contracts

despite a deficit budget. Over 60% were discussing the viability of contracts with local councils. Nearly 40% were declining, or not taking on new, support services. Many of our providers are already facing significant cuts in contract values this year. There is little hope of improvement.

This is not a context exclusive to Scotland; this is the shared picture of a collective, long-standing under-investment in support services across the nation. Social care is already pared to the bone.

The consequences of not exempting all public service providers of social care from the additional eNIC liabilities will be catastrophic for your stated aims.

It will mean the inevitable loss of crucial community-based support services, plunging our public sector partners, like the NHS and the prison service, into ever-greater crisis.

It will mean a far greater burden on unpaid carers, many of whom already struggle to maintain employment and their own wellbeing.

Despite the aspirations of your Employment Rights Bill, it will impact negatively on our workforce, through direct job losses, as well as the inability for employers to negotiate locally for pay awards above the minimum set through contracts. It will have a disproportionate, negative effect on women in work, given that over 80% of the social care workforce is female.

And ultimately, it will have significant human and financial costs for people who need support to live active, engaged lives in their communities – to stay in education and training, to work, to volunteer, to participate, to lead a dignified life.

Of course, we do not believe this is your intent. But sadly, this is the position we now face unless you extend direct protection to our sector.

Put simply, currently this Budget will not save public services; it will crush them.

We, the undersigned community of social care employers in Scotland, call on you to clarify now how you intend to provide UK relief, in full, for a UK policy change on Employers' National Insurance for us, as not-for-profit providers of crucial public services.

Yours,



Rachel Cackett  
CEO, CCPS



Andrea Wood  
CCPS Board Convener and CEO of Key

*and (list of signatories follows on next page)*

*SallyAnn Kelly, Chief Executive, **Aberlour Children's Charity**,  
and CCPS Board member*

*Fiona Steel, Acting National Director for Scotland, **Action for Children**, and CCPS  
Board member*

*Linda Tuthill, Chief Executive, **The Action Group***

*Leo Sowerby, Chief Executive, **Affinity Trust***

*Gillian Skuse, Chief Executive, **Age Scotland Orkney***

*Henry Simmons, Chief Executive, **Alzheimer's Scotland***

*Adriana Pilkington, Finance Administration Manager, **Archway Respite Care and  
Housing and Archway Charitable Trust***

*Bobby Duffy, CEO, **Ark Housing Association***

*Martin Crewe, Director, **Barnardo's Scotland***

*Debbie Collins, Interim Chief Executive, **Bield Housing and Care***

*Simon Fitzpatrick, CEO, **Blackwood***

*Gary Meek, CEO, **Blue Triangle***

*Brian Logan, Chief Executive, **Capability Scotland***

*Gail Burden, Chief Executive, **Capella***

*Lucy Wren, Chief Executive, **Carr Gomm***

*Sam Smith, CEO, **C-Change Scotland**, and CCPS Board member*

*Mary Glasgow, Chief Executive, **Children 1<sup>st</sup>***

*Jim Kane, CEO, **Community Integrated Care***

*Laura Stewart, CEO, **Churches Action for the Homeless***

*Hazel Brown, Chief Executive, **Cornerstone**, and CCPS Board member*

*Heather Gray, CEO, **Cosgrove Care***

*Viv Dickenson, CEO, **CrossReach**, and CCPS Board member*

*Jan Smith, Head of Corporate Services, **Crossroads Caring Scotland***

*Ewan Aitken, CEO, **Cyrenians***

*Isabella Goldie, Chief Executive, **Deafblind Scotland***

*Amanda Miller, Director of Community Services, **Eildon Housing Association***

*Claire MacDonald, Chief Executive, **ELCAP***

*Ian Cumming, Chief Executive, **Erskine Veterans Charity***

*Fiona Dunwoodie, CEO, **Fair Deal***

*Jane Devine, Chief Executive, **Four Square***

*Jacqueline Croft, CEO, **Glasgow Association for Mental Health***

*Angela Currie, CEO, **Hanover Scotland Housing Association***

*Gerry Lindsay, CEO, **Hansel***

*Wendy Bates, CEO, **Health in Mind***

*John Booth, Managing Director, **Hillcrest Futures***

*Martin Dorchester, CEO, **Includem***

*Jaqueline Reid, Chief Executive, **Inclusion***

*Paul White, Director of Support and Care, **Kingdom Support and Care***

*Hugh Cairns, Chief Executive, **Lanarkshire Association for Mental Health (LAMH)***

*John Casson, CEO, **L'Arche UK***

*Kirsty Dace, Transformation Director, **Leonard Cheshire***

*Mark Bevan, CEO, **Leuchie House***

*Sarah Smith, CEO, **LinkLiving***

*Gillian Dow, Director, **Mainstay Trust Ltd***

*Lesley Watt, Director of Service, **McFarlane Trust***

*Rachel Maitland, CEO, **MND Scotland***

*Patricia Donnelly, CEO, **The Mungo Foundation***

*Caroline Stevens, CEO, **National Autistic Society***

*Heather Calvo, CEO, **Neighbourhood Networks***

*Janine Hunt, CEO, **Partners for Inclusion***

*Michael Burns, CEO, **Penumbra***

*Karen Biggs, CEO, **Pheonix Futures***

*Roddy Thomson, Managing Director, **Potential Living***

*Ron Culley, CEO, **Quarriers**, and CCPS Board member*

*Shona Stephen, Chief Executive, **Queens Cross Housing Association***

*Peter Jung, Chief Executive, **RAMH – Recovery Across Mental Health***

*Dr David Sargent, Group CEO, **Real Life Options***

*Janet Haugh, Chief Executive, **Right There**, and CCPS Board member*

*Annie Mauger-Thompson, CEO, **Sacro**, and CCPS Board member*

*Helen Murdoch, Regional Manager, **The Salvation Army***

*Austen Smyth, CEO, **The Richmond Fellowship Scotland** & CCPS Board member*

*Kate Polson, Chief Executive, **The Rock Trust***

*Billy Watson, Chief Executive, **SAMH (Scottish Action for Mental Health)***

*Dorry McLaughlin, Chief Executive, **Scottish Autism***

*Angela Bonomy, Chief Executive, **Sense Scotland**, and CCPS Board member*

*Ruth Dorman, CEO, **SHARE Scotland***

*Lorraine McGrath, CEO, **Simon Community Scotland**, and CCPS Board member*

*Donna Thompson, CEO, **Support for Ordinary Living***

*Suzanne Langford-Commins, Managing Director, **Thera (Scotland)***

*Mark Hoolahan, CEO, **Thistle Foundation***

*Christina Greig, Head of Corporate Services, **The Scottish Centre for Children with Motor Impairments***

*Tom Marx, Director, **Tigh a'Chomainn Camphill***

*Neil Richardson, Chief Executive, **Turning Point Scotland** & CCPS Board member*

*Rhona McLeod, Chief Executive, **Trust Housing Association***

*Jean Gray, CEO, **Viewpoint***

*Pauline Gray, CEO, **Visualise Scotland***

*Sue Freeth, Chief Executive, **VSA**, and CCPS Board member*

*Simon Phillips, CEO, **WeAreWithYou***

*Louise Dunlop, Managing Director, **Wheatley Care**.*