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Our Ref: Annual Inflationary Uplifts 22-23
Your Ref: Annual Inflationary Uplifts 22-23

**PEOPLE & COMMUNITIES
DIRECTORATE**

Peterborough City Council
Sand Martin House
Bittern Way
Peterborough
PE2 8TY

Thursday 23rd December 2021

Dear Martin,

Thank you for your letter dated 4th November 2021.

As outlined in previous correspondence, Cambridgeshire County Council and Peterborough City Council recognise the importance of timeliness in relation to the negotiation and determination of inflationary uplifts for care providers and the impact any delay has on their planning as well as development of future strategy. Whilst the Chancellor has delivered the Autumn Budget and Spending Review 2021, the Local Government Finance Settlement has only recently been released to Councils. This means that whilst a significant amount of work has been undertaken to prepare the budget for 2022/23, it has been subject to change. With these timescales in mind, the final budget position will be confirmed through Full Council in February 2022 for Cambridgeshire County Council and March 2022 for Peterborough City Council. On confirmation of the budget allocation for 2022/23 inflationary uplifts, a strategy will be finalised and taken for approval allowing both Councils to commence negotiations in May 2022.

I would like to provide you with reassurance that initial budget preparations have considered the impact of increases to both the National Living Wage and National Insurance, and both Councils remain committed to ensuring we work in partnership with local providers to maintain ongoing sustainability. However, government funding to address the financial pressures of Covid-19 has only gone part way to close the financial gap across adult social care, and a longer term sustainable financial settlement is yet to be confirmed. Resource to support annual inflationary pressures within the local market is therefore limited and it is critical that our approach is tailored to each provider with sustainability being a paramount consideration in progressing this.

This has hopefully provided clarity on the timescales that Cambridgeshire County Council and Peterborough City Council are working to in managing the inflationary uplift position for 2022/23. As previously advised, it would be helpful to understand the work of Care England. To that end, I would like to reiterate our open invitation to discuss further with you.

Yours Sincerely

Shauna Torrance
Head of Adult Social Care Commissioning
Cambridgeshire County Council and Peterborough City Council