

12th May 2022

Matt Bowsher
Director for Adult Social Care
Adult Social Care
Dudley Metropolitan Borough Council
Council House
Priory Road
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To Matt Bowsher, Director for Adult Social Care,

Low Fee Up-Lifts Undermine Care Sector

We are writing to express our concern with the low fee up-lifts offered by Dudley Council that continues to underfund the adult social care sector and undermine the work of local care providers.

With current and historic settlements barely sufficient to cover growth let alone the increase in the cost of living, you are failing to support care providers and some of the most vulnerable members of your community, given the unprecedented hangover of the COVID-19 pandemic, from which care providers continue to struggle.

Care England's members reported inflation rates at around 10% in December 2021 when Local Authorities were planning 2022/23 budgets. This has since risen and will continue to rise by up to 30% according to a survey carried out by financial analysts Knight Frank and reported in the [Financial Times](#); driven by the increased cost of living and doubling of CPI since December, alongside the energy crisis, and the removal of the Infection Control and Testing Fund, which supported employers to ensure full pay for self-isolating staff or pay staff who were required not to work in line with government guidance, to ensure they do not lose income while doing so.

Further, the National Living Wage (NLW) uplift from April, and a growing pressure to uplift pay to the Real Living Wage, is causing further strain on the care sector to an unprecedented level, far beyond margins from which providers can absorb. Dudley Council's uplift of 3.5% will not ease the pressure on local care providers and only perpetuates the crisis in social care currently unfolding and we encourage Dudley Council to explore all avenues, and to ensure they have exhausted all their options to recompense providers for inflation.

We appreciate that Government centralised funding plays a role in how Local Authorities allocate their funding to care providers, having only received an average of 6.9% in core spending allocations from central Government for 2022/23. A greater priority must be given to the adult social care sector, often treated as the poor relation to the NHS.

Care providers have exhausted efficiency opportunities, and must insist on more proactive financial support given the current crisis, ahead of the upcoming Fair Cost of Care exercises. Care England has submitted a letter to the Secretary of State for Health and Social Care, Rt. Hon Sajid Javid, to raise our concerns about the inadequate level of funding given to councils barely sufficient to cover growth, let alone inflation, and have contributed to an [open letter to Government](#) on the removal of the Infection Control and Testing Fund.

Care England reserve the right to use all resources open to us to campaign for care providers including the media to support our argument and recommend the council reconsiders the current approach to

adult social care funding and, commit to a fee uplift aligned to inflation to safeguard the provision. If no action is taken and support is not forthcoming, then the social care sector will face a perfect storm of rising costs and workforce difficulties.

Care England is happy to arrange a virtual meeting to include providers to discuss further and would ask for your support to manage the current situation ahead of the Fair Cost of Care exercise later this year. Please provide us with your preferred email address to facilitate this meeting.

Yours Sincerely,

Professor Martin Green OBE