

5th February 2020

Derek Mackay MSP
Cabinet Secretary for Finance
Scottish Government
Edinburgh

Dear Mr Mackay

I am writing to you on behalf of over 400 social care provider organisations who deliver just under 1,000 services employing over 100,000 workers across Scotland. Scottish Care is the representative body for the charitable, not for profit and private care sector, the largest component of a social care sector which overall is a net contributor to the Scottish economy of around £3.4 billion a year.

I appreciate that there are many competing demands in the development of a National Budget, but I would contend that the adult social care sector in Scotland is deserving of a particular focus at this time and indeed requires strategic and urgent additional investment. The fiscal and operational sustainability of the adult social care sector in Scotland, is I would argue, one which is at considerable risk. Specifically, the care home and care at home sectors are extremely fragile, risking organisational closures, the employment of thousands of workers and the care and support of thousands of our most vulnerable citizens.

As providers of care and support, my members recognise and affirm the significant commitment of the Scottish Government to date, not least through the investment to enable the payment of the Real Living Wage to frontline care staff. We recognise that the worst effects of austerity have been mitigated as a result of the consistent protection of social care budgets by local authorities across the country. However, we have now reached the stage that simply standing still is no longer sufficient. Eligibility levels are now set so high that many citizens are unable to access essential care and support. There is an urgent need for substantial resource into the sector.

Social care is not immune from the risks and threats impacting on other sectors and industries. We are facing critical workforce shortages with 9 out of 10 care providers struggling to fill jobs and nearly a third of nursing posts in care homes are vacant. The homecare sector handed back more public contracts last year than at any other time, deeming them to be undeliverable at current rates of contract. Homecare providers are struggling to pay the Scottish Living Wage whilst remaining sustainable. Costs and prices are soaring. We are witnessing more and more care home closures, many of which are in isolated, remote and rural communities. All of this occurring at a time of increased acuity and need where people now being supported in care homes would have been in hospital five years ago.

Despite considerable joint efforts to progress the integration of health and social care and to work collaboratively across sectors, the sheer lack of available resource is putting immeasurable strain on the whole health and social care system. It is likely to lead to a breakdown in national fee agreements as they are deemed to be increasingly non-fiscally viable. We are already witnessing the emergence of a two-tier care system where there is little investment in public social care and more and more individuals are having to finance their own care and support.

In conclusion, the Independent care sector strongly supports the arguments presented by local government in the COSLA paper '[Fair Funding for Essential Services](#).' The demographic change, the integration of health and social care delivery, the growth of technology and digital in social care, new models of care and workforce investment require at least another 3-5% of additional investment.

Scottish Care is calling upon you to significantly increase and protect the existing investment in social care. The present time is a critical time. If we do not invest then the whole system is at risk of collapse with unimaginable consequences for individual lives and families, never mind the massive fiscal implications. There is, I believe, a real opportunity for Scotland to become a champion of putting human rights-based, citizen-led, social care at the heart of our nation's priorities. I urge you to seize that opportunity and protect and enhance vital and essential services across the country.

Yours sincerely

A handwritten signature in dark ink, reading "Donald Macaskill". The signature is written in a cursive, slightly slanted style.

Dr Donald Macaskill
Chief Executive