



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

25 February 2021

Dear Future Social Care Coalition,

Thank you for your letter of 29 October to Rishi Sunak MP regarding future funding for adult social care. I am replying as the Minister responsible for this policy area.

At this year's Spending Review, the Chancellor confirmed that we are providing Local Authorities with access to over £1bn to fund social care next year. This funding is in addition to existing social care grants, including the £1bn announced last year which is being maintained in line with the manifesto commitment. On top of this, the Government expects to provide Local Authorities with over £3bn to help manage the impact of COVID-19 next year across their services, including adult social care.

This funding will support local authorities to maintain care services while keeping up with rising demand and recovering from the impact of COVID-19. In the longer term, the Government is committed to sustainable improvement of the adult social care system and will bring forward proposals for reform next year.

We are incredibly proud of all our health and care staff, and recognise their extraordinary commitment. Although the Government does not set the levels of pay for care workers, we are committed to raising the profile of our social care sector. We ensure that the social care system is funded so that providers can pay the National Minimum and National Living Wages to social care workers. This means that from April 2021, care workers on the National Living Wage (NLW) will see a pay increase to £8.91 an hour, a 2.2% pay rise. Furthermore, since the introduction of the National Living Wage in 2016, care worker pay has increased at a faster rate than before.

We are aware of the strain the coronavirus pandemic has put on the social care system, that's why since March we have provided over £4.6bn of grant funding to Local Authorities to help them respond to pressures across all their services, including adult



social care. Further to this, we have ringfenced over £1.1bn for adult social care, through the Infection Control Fund, to support providers tackle the spread of the virus.

Best wishes,

A handwritten signature in black ink that reads 'Steve Barclay'.

RT HON STEVE BARCLAY MP