



BECAUSE PEOPLE MATTER

Cabinet Secretary for Health and Social Care
Scottish Government
St Andrew's House
Regent Road
Edinburgh
EH1 3DG

15 November 2024

Dear Mr Gray

I am moved to write to you following the recent UK budget announcement confirming an increase in Employer National Insurance contributions. This decision comes as a further blow within a sector that has been struggling to stay afloat amidst ever increasing costs, growing demands for service but depleting funding and opportunity.

As one of Scotland's larger social care providers this single change in tax policy has placed every one of our services into deficit. This is an unsustainable situation and will force the closure of our services.

Like all third sector specialist care providers, we are a not-for-profit charity. However, Turning Point Scotland is unique in the diverse spread of service areas we specialise in. We take around 8,000 people onto our caseloads annually. The needs of these people range from highly complex forensic cases to more routine supports but all are vulnerable individuals. In addition to the 8,000 people in caseload, we also provide regular needle exchange, short term alcohol and drug interventions and homelessness prevention work for people in our communities. The impact of service closures would be devastating not only for the individuals supported by them, but by communities across Scotland whose sense of abandonment and deprivation would become tangible.

Turning Point Scotland derives its annual revenue entirely from commissioned work from the Scottish Government and various local authorities and as such, we deliver specialist and vital public services on their behalf. It is therefore confusing and fundamentally unfair that the NHS and general public service is exempt from the Employer National Insurance rise yet we are expected to absorb that cost. Given that we operate through Scottish commissioning and procurement convention where the price is set by the purchaser we have no reasonable levers to absorb such a significant change in a sustainable way. This will force us to relinquish services that will in turn fall on the NHS and local authorities who have no capacity or expertise to accept that added burden. There is strong evidence that the knock-on effects of service closures will also inevitably fall to other public services such as the police, ambulance and community healthcare in an adverse and chaotic way.

Given the gravity of the situation and the very real consequence for so many vulnerable people in Scotland I implore you to ensure that adequate provision to offset the financial consequences of the rate rise is made in the forthcoming Scottish Budget, over which your government has full control.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Neil Richardson".

Neil Richardson QPM OBE
Chief Executive

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