

Caroline Baria  
Director of Adult Social Care  
Leeds City Council  
Merrion House  
Woodhouse Lane  
Leeds  
LS2 8LX

28<sup>th</sup> February 2025

**Subject: Urgent Review of Home Care Funding in Leeds**

Dear Caroline

We, the undersigned providers, collectively delivering **over 17,500 weekly hours of home care**—representing approximately 50% of the market in Leeds—are writing to express our serious concerns regarding the proposed **1.6% uplift** to the hourly rate for 2025/26.

We are committed to maintaining high-quality care and retaining a well-supported workforce, but we must highlight the significant **financial pressures** that this uplift does not adequately address. Without a reconsideration of this proposal, we will be **forced to withdraw from our contracts and withdraw our service provision to over 1,500 people**.

We anticipate that there will be significant market failure and Leeds City Council will be left with a market of homecare providers who have already dramatically rationalised their back-office staff teams and quality assurance activities, resulting in largely poor and inadequate care.

**Key Considerations:**

- **Employer National Insurance:** The increase in employer National Insurance contributions from 13.8% to 15% and the reduction of the secondary threshold from £9,100 to £5,000 have resulted in an additional cost of £615 per employee with overall cost pressures increasing by 8-10%. We need the uplift to reflect these increasing cost pressures.
- **Impact of Previous Funding Adjustments:** While an uplift of 40p per hour was introduced in 2024/25, the simultaneous removal of the hospital retainer payment effectively reduced funding by 50p per hour. This resulted in a net decrease, making it increasingly challenging to maintain service levels and counterproductive to the commitment to staff retention.
- **Real Living Wage requirement:** All providers are committed to raising the status of home care workers and paying fair living wages for the service they provide, however mandating an above NLW increase, as well as maintaining other contract stipulations, such as mandating equal pay for non-contact time, training etc, without providing appropriate funding to do so places unsustainable additional pressure on an already unstable market.
- **Ensuring a Stable Home Care Market:** Without an appropriate funding adjustment, providers will struggle to sustain services. The impact on the home care workforce, including recruitment and retention, will be significant, leading to service disruptions and the withdrawal of key providers from the market.

### **Proposed Actions:**

1. **Reassess the Proposed Uplift:** Given the rising operational costs and workforce pressures, we urge the council to consider a more sustainable increase that reflects actual cost inflation.
2. **Move Towards a Neighbourhood Model:** As seen in Bradford and Sheffield, a more structured, partnership-driven model can help create stronger, long-term collaborations between the council and key home care providers. This would enable more strategic commissioning, service improvements, and provide volume to key providers which will support economies of scale which have been lost from the Leeds market.
3. **Strengthen Provider Engagement and Oversight:** As key stakeholders, we believe a more structured and consultative approach is essential to ensure that home care services remain robust and responsive. Ensuring a stable, high-quality market is in the best interest of both the council and residents who rely on home care services.

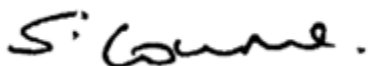
### **A Collaborative Approach to Securing Home Care Services**

As established, high-performing providers rated Good or Outstanding, we are deeply committed to delivering high-quality care 365 days a year to Leeds' most vulnerable residents. We recognise the importance of working in partnership with the council to find viable, long-term solutions that support both service users and the dedicated workforce providing their care.

We request an urgent meeting to discuss these matters in more detail and explore collaborative solutions to ensure a sustainable and high-quality home care sector in Leeds. We would welcome the opportunity to work together to secure the future of home care services.

We look forward to your urgent response and continued dialogue on this critical issue.

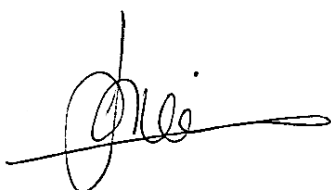
Yours sincerely,



**Sharon Lowrie** | CEO | Be Caring Ltd



**Nicola Mewse** | Group Managing Director | Hales Group Ltd



**Samina Sheikh** | Managing Director | AS Care



**Theresa Comstive** | Operations Director | Springfield Healthcare



**Farina Tayub** | Managing Director | Caremark



**Darshan & Hardev Gill** | Managing Director/Operations Manager | Woodhall Care Services



**Helen Cook and board of directors** | Managing Director/ Registered Manager | Personal Care Specialists LTD



**Jane Wasarirevu** | Goshen Social Care | Registered Manager

**Aqila Choudhry** | Managing Director | Love In Care

**Mohammed Khaliq** | Managing Director | PerCurra Leeds

**Patricia Hadebe** | Registered Manager | Yorkshire and Humber Healthcare Alliance  
Directors | [collin@yhha.co.uk](mailto:collin@yhha.co.uk) | [patricia@yhha.co.uk](mailto:patricia@yhha.co.uk) | [florence.masvaure1@nhs.net](mailto:florence.masvaure1@nhs.net)

**Milliscent Guzete** | Managing director | Page Alliance Healthcare Ltd |

CC: James Lewis, Leader Leeds City Council