



Voluntary Organisations Disability Group

Houses of Parliament
London
SW1A 0AA
By email only.

3 March 2025

Dear Sir / Madam

Exemption of Health and Social Care Organisations from the rise in Employer National Insurance Contributions (ENICs)

We are writing to you as members of the Voluntary Organisations Disability Group (VODG) - the membership body for disability charities, bringing together organisations from across England and Wales delivering advocacy, care and support for disabled people.

Last week, the House of Lords voted in favour of Baroness Barker's amendment to the National Insurance Contributions (Secondary Class 1 Contributions) Bill¹, which seeks to maintain current ENICs levels for charitable providers of health and care, thereby exempting charities from the increase proposed in the Budget.

When the NICs Bill returns to the House of Commons, we are seeking your support for this amendment, to avoid the devastating impact the ENICs increase will have on the care and support we provide.

As you will be aware, the Employer National Living Wage will soon increase by 6.7%, an increase we welcome in better rewarding our valuable care and support staff. At the same time, the change to Employer National Insurance Contributions (ENICs) will add significant costs to an already stretched wage bill.

Without an exemption or the necessary uplift in fees, we are facing an extraordinary challenge to deliver essential frontline services in the ways, and to the quality, we are committed to.

While there has been investment in social care following the Autumn Budget, the funding available continues to fall far short of what is needed to ensure disabled people, families and carers are able to access the support they need.

Independent analysis by Cordis Bright, commissioned by VODG finds the cost of the Autumn Budget to VODG members alone, to be at least £266m a year². More widely the Association of Directors of Adult Social Services anticipate a shortfall of £1.4bn for adult social care in 2025/26, just for services to standstill³.

¹ [Progress of NICs Parliamentary Bill](#)

² [Independent analysis by Cordis Bright commissioned by VODG](#)

³ [Association of Directors of Adult Social Services](#)

Fees paid by health and social care commissioners have long failed to keep pace with rising costs, before this additional burden was introduced.

Looking to 2025/26, local authority and ICB commissioners are already telling us they will be unable to meet the increase required – many are offering less than the required uplifts with some saying there will be 0% uplift in fees. This means some services will soon become unviable, unless a solution is found.

Disabled people with lifelong conditions have very clear legal entitlements to care and support. The vast majority, without their own private assets, rely on local authority and health commissioners to fund the support they need.

Organisations like ours deliver these services on behalf of the state and we are wholly reliant on public sector funding to deliver public sector services. The vast majority of our costs are for our staff, who we rely on to deliver essential care and support. Any unfunded increase to our wage bill, either through rises in the NLW or ENIC, poses a perilous risk to the services so people we support rely on.

As an MP seeking to ensure the best care and support for disabled people in their constituency, we are keen to work with you to ensure disabled people locally and across the country can access the support they need, in the way and place they choose.

We would be very grateful if you could consider taking the following actions:

1. Write to your local council leaders seeking assurance that 2025/26 fee rates paid to the voluntary sector will be set at rates that cover higher future workforce costs, including uplifts to the National Living Wage and ENIC. We would be grateful if you could share a copy of their response.
2. Write to Ministers and the Treasury to ensure the full costs of care and support are covered, including the costs of commissioned services delivered by third sector providers.
3. Support the amendment by Baroness Barker when the National Insurance Contributions (Secondary Class 1 Contributions) Bill comes back to the Commons. This effectively exempts health and care organisations from the detrimental impact of the proposed increase.
4. Agree to meet with VODG and a small group of local VODG Chief Executives to discuss the impact of NICs and the detrimental impact on the support disabled people, families and carers rely on if action is not taken.

Only by prioritising the provision of high-quality support for disabled people of all ages, will we have a fairer society where disabled people are able to live the lives they choose. We stand ready to engage with you further, to provide information, examples, draft parliamentary questions and briefings.

Yours sincerely,

Rhidian Hughes, Chief Executive, Voluntary Organisations Disability Group (VODG)

Jeff Skipp, Chief Executive, Ability Housing Association
Craig Crowley, Chief Executive, Action Deafness
Maria Mills, Chief Executive, Active Prospects
David Coe, Chief Executive, AFK
Sue Livett, Managing Director, Aldingbourne Trust
Ian Pritchard, Chief Executive, Alternative Futures Group
Mark Milton, Chief Executive, Ambient
Robert Shanahan, Chief Executive, Aspens
Gill Bryant, Chief Executive, Aurora Nexus
Sarah Butcher., Chief Executive, Autism at Kingwood
Tom Harrison, Chief Executive, Autism West Midlands
Jo Land, Chief Executive, Avenues Group
Irene Sobowale. Chief Executive, Brainkind
Helen England, Chief Executive, Brandon Trust
Anna McEwen, Chief Executive, Bromley Mencap
Sara Thakkar, Chief Executive, Camphill Village Trust
Sarah Edwards, Chief Executive, Canterbury Oast Trust
Aisling Duffy, Chief Executive, Certitude
Gareth Groves, Director of Services, Chiltern Centre
Victoria Neish, Chief Executive, Coquet Trust
John Heritage, Chief Executive, David Lewis
Nikki Morris, Chief Executive, Deafblind UK
Rachael Dodgson, Chief Executive, Dimensions
Peter Calderbank, Chief Executive, Field Lane
Angela Murphy, Chief Executive, Fitzroy
Claire Hayward, Chief Executive, Freeways
John Verge, Chief Executive, Golden Lane Housing
Kathryn Courtenay Evans, Chief Executive, Guideposts Trust
Ru Watkins, Chief Executive, Hamelin
Angela Duce, Chief Executive, Harpenden Mencap
Sarah Lantsbury, Chief Executive, Headway East London
Sally Daniels, Chief Executive, Henshaws
Stephen Veevers, Chief Executive, Hft
Anna O'Mahony, Chief Executive, Hollybank Trust
Ruth Gorman, Chief Executive, Imagine Act and Succeed
Sue Pemberton, Chief Executive, Integrate
Karyn Kirkpatrick, Chief Executive, KeyRing
Katie Ghose, Chief Executive, Kids
Gabby Machell, Chief Executive, Learning Disability Network London
Valerie Waby, Chief Executive, Linkage Community Trust
Chris Hampson, Chief Executive, Look Ahead
Sarah Burslem, Chief Executive, MacIntyre
Rachel Peacock, Chief Executive, Making Space
Hilary Crowhurst, Chief Executive, Milestones Trust
Zoheb Shariff, Chief Executive, Mosaic 1898

Caroline Stevens, Chief Executive, National Autistic Society
Diane Hesketh, Chief Executive, Natural Breaks
Paul Tolley, Chief Executive, New Directions Rugby
Jo Howell, Chief Executive, Northam Care Trust
Naomi Dickson, Chief Executive, Norwood
Holly Dagnall, Director of Homes and Wellbeing, NCHA
Tracey Bush, Chief Executive, One Fylde
Kevin Peacock, Chief Executive, Options
Nicky Boland, Chief Executive, Outward
Alison Cooper, Executive Director, Parity for Disability
Martin Nicholas, Director, Partners in Support
Rachel Law, Chief Executive, PossAbilities
Jill Sheldrake, Chief Executive, PSS
Stephen Nichols, Chief Executive, Rossendale Trust
Les Warren, Managing Director, RWP (Reside with Progress)
Brandon Leigh, Chief Executive, Seashell Trust
Lisa Hopkins, Chief Executive, SeeAbility
Lucy Warnes, Chief Executive, SignHealth
Azra Kirby, Chief Executive, St Anne's
Emma Morris, Chief Executive, Stockdales
Maria Dolly Galvis Zapata, Chief Executive, The Elfrida Society
Andrew Willetts, Chief Executive, The Orpheus Centre
Paul McCay, Chief Executive, The Wilf Ward Family Trust
Hayley Connor, Chief Executive, The You Trust
Melanie Dunn, Chief Executive, Together Trust
Julie Bass, Chief Executive, Turning Point
Andrea Wiggins, Chief Executive, Vibrance
Richard Jones, Chief Executive, VoiceAbility
Holly Spiers, Chief Executive, Walsingham Support