

Rt Hon Steven Barclay MP
Secretary of State for Health and Social Care
Department of Health and Social Care
39 Victoria Street
London
SWH 0EU

29 June 2023

Dear Secretary of State,

Social enterprises delivering NHS services

We are writing urgently on behalf of a range of providers and their staff who deliver critical NHS services. We urge you to resolve the impossible situation in which they currently find themselves, in the light of the costs of increasing staff pay over the coming years, and with particular regard to funding for the one-off non-consolidated 22/23 payment.

Social enterprises form a vital part of the NHS family, delivering over a billion pounds of NHS services all over the country while reinvesting profits in local communities. Despite this huge contribution, the Government has not provided funding for social enterprise staff in the recently negotiated NHS pay deal – treating many thousands of staff unfairly when they are just as skilled, committed and essential to the provision of NHS services as those employed by other providers. Funding one set of providers and not others creates inequity of services and a two-tier healthcare workforce.

Earlier this year, you made a clear and unambiguous statement that the NHS pay deal, including the non-consolidated 'bonus' would be implemented for "all staff" on Agenda for Change. In 2018, both you and Jeremy Hunt made statements that “We know that there are a small number of non-statutory non-NHS organisations that provide NHS services, employ existing and new staff on the AfC contract and will be required to implement the reforms. I believe it is right that these organisations should receive a share of the additional funding made available for AfC staff employed by NHS bodies listed at annex 1 of the NHS terms and conditions of service handbook; each employ existing and new staff on the AfC contract, are required to implement the deal and will need to meet the costs of doing so.” We share your understanding then and now that these staff are “on the AfC contract” and we look forward to your department delivering on your commitment and ensuring equitable access to resources for those social enterprises which, in 2018, committed to ‘dynamically follow’ Agenda for Change terms and conditions.

Our position is that staff in independent health and care organisations deserve pay, terms and conditions that match their colleagues in the NHS. We want to avoid an inequitable, two-tier system. Yet without additional funding to cover all elements of the deal, pressure and risk will fall on patients and beneficiaries, staff and indeed these organisations' very existence as sustainable providers of NHS services. Without an urgent resolution, either staff will not receive what they deserve, or these employers will be forced to put their own viability at risk. If they fold, of course pressure will revert to the NHS more widely. Many of these organisations are finalising their accounts at the current time and considering their futures as viable organisations. This places your guarantee that there will be no impact on frontline services further at risk.

We look forward to hearing you.

Yours sincerely,



Signed on behalf of the following co-signatories:

Peter Holbrook
CEO
Social Enterprise UK

Patricia Marquis
Director
Royal College of Nursing, England

Annette Mansell-Green
Director of Trade Union and Public Affairs
British Dietetic Association

Martin Furlong
Acting General Secretary
Royal College of Podiatry

Elaine Sparkes
Assistant Director of Employment
Relations and Union Services
Chartered Society of Physiotherapy

Sharan Bandesha
National Officer – Health Group
UNISON

Alice Sorby
Director, Employment Relations
Royal College of Midwives

Colenzo Jarrett-Thorpe
National Officer
UNITE