#ProvidersUnite

FOR IMMEDIATE RELEASE

4th March 2025

Providers Unite Welcomes Progress as National Insurance Contributions Bill Reaches Final Stages

Today marks a significant milestone as the House of Lords completed the Third Reading of the National Insurance Contributions (Secondary Class 1 Contributions) Bill. This session, which included the Consideration of Amendments, represents the final stage in the Lords before the Bill returns to the House of Commons for MPs to vote on whether to approve the proposed amendments. If approved, the Bill will proceed to Royal Assent ahead of its implementation on 6th April 2025.

Providers Unite, representing organisations across social care, healthcare, and small business sectors, acknowledges the importance of this Bill's progress and its potential impact on them as employers and essential service providers.

The Bill proposes increasing the rate of secondary Class 1 National Insurance contributions to 15%, while maintaining a reduced rate of 13.8% for specified employers including care providers, hospices, and charities with less than £1m in resreves. It also outlines increased Employment Allowance and adjustments to contribution thresholds, particularly providing targeted support for small businesses, voluntary and community organisations, and all those directly employing essential care and support services.

A review of the Bill's impact on key sectors, including social care, healthcare, charities, and small businesses, will follow within six months of the Bill becoming law.

Nadra Ahmed CBE, on behalf of Providers Unite commented:

"As the Bill moves toward its final stages, we remain comitted to advocating for the interests of frontline providers who deliver essential community social care services. We urge all MPs to carefully consider the amendments to ensure that vulnerable sectors receive the protection and support they need to be exempt from the changes to ENICs. Through the Providers Unite campaign, we know that 96 MPs already value social care, alongside our partners in community health and hospice provision. We call on hundreds more to stand together with us."

Providers Unite will continue to monitor developments closely and engage with policymakers to ensure the voices of healthcare, social care, and support providers are heard.

ENDS

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Notes to the Editor

Providers Unite is a grassroots coalition uniting community care and support providers across the UK to advocate for our sector survival. Our strength lies in our shared commitment to safeguarding the future of adult care services and ensuring the voices of providers are heard at every level of government.

On 25th February 2025, more than 3000 people took part in a historic Day of Action to highlight the challenges faced by the care and support sector as result of the budget measures. The Providers Unite demonstration coincided with a significant amendment to the Bill, which proposed inserting the following after section 9(1A) of that Act—
'(1B) A “specified employer” – such as care homes, hospices, small charities, healthcare providers, and transport services for children with special needs—will continue to pay the reduced rate of 13.8%.

To date more than 4100 providers and concerned citizens have added their voice to this call for urgent funding support from April 2025 for all Care and Support Providers.

Originated by Nadra Ahmed CBE and the Board of the National Care Association connecting with 150 other providers to sign a joint letter to the Chancellor Rachel Reeves on the 12th Nov 2024.

We bring together a diverse and vital network of care providers, collectively serving over 1.2 million individuals and employing a dedicated workforce of 1.59

million. Together, we deliver essential community care and support services valued at £68.1 billion, highlighting the critical role we play in the well-being of our communities and the nation's economy

Find out more
https://www.providersunite.co.uk

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