

Background

- Bupa Global, India & UK's purpose is to help people live longer, healthier, happier lives in a better world. Our UK aged care business, Bupa Care Services, is a leading provider of adult social care with 127 care homes and Richmond villages across the UK, providing care to around 6,300 residents. The majority (60%) of our residents receive publicly funded care.
- Bupa offers a range of support options for older people with care needs, including dementia and nursing care. We are passionate about innovation, and in 2024, we launched our first Net Zero care home, highlighting our commitment to sustainability.
- We employ nearly 10,000 people in our homes and villages. We reinvest all our profits, and our people are at the heart of our business. Mindful of the longstanding challenges facing the social care workforce, Bupa has introduced a package of benefits for our frontline employees, from access to private GPs to chef academy apprenticeships, to ensure that social care is a lifelong career choice for many.

Bupa and the adult social care workforce

- Around 1.59 million people worked in the sector in England in 2023/24, more than in the NHS, with the overwhelming majority of those in the workforce being female (79%).
- Skills for Care estimate found that between 2022/23 and 2023/24, filled posts rose by 70,000, the largest increase since records began. This is in part, due to increased international immigration. In turn, vacancies reduced to 131,000.
- In addition, the average turnover rate in the UK adult social care workforce is nearly one in four. In contrast, Bupa Care Services' rate of staff turnover stands lower than the national average, and our employee Net Promoter Scores (NPS), a sign of employee satisfaction, rose from 66 in 2021 to 87 in May 2024. This is indicative of how we are viewed as an employer of choice in the adult social care sector.
- Bupa Care Services reinvests all profits, and with our people at the heart of the business, we have worked to ensure social care is an exciting and prosperous career choice. Whilst limited progress has been made sector-wide to create opportunities for progression, Bupa has embedded several development programmes into our business, including a trainee nursing associate programme and supporting overseas nurses to achieve their UK nurse PIN. In addition, we offer an enhanced sick pay benefit not available anywhere else on the market, and a package of health offerings too.

Challenges of Collective Bargaining in adult social care

- The Employment Rights Bill presently before Parliament seeks to strengthen protections for workers, including the establishment of a framework for collective bargaining in the adult social care sector. Bupa Care Services in principle, welcomes the strengthening of workers' rights, but it is essential that these changes must be done so in a manner that does not further push the sector into financial difficulty.
- Social care providers remain stretched with regards to funding. The Fair Cost of Care exercise analysis out by Care England last year showed that Local Authorities underfunded older people's residential and nursing care by £2 billion.

- The recent budget announcements of changes to Employer National insurance contributions and thresholds will further add strain to the sector, costing Bupa an average of £1032 per employee a year. This is in addition to the 28% increase in National Living Wage over the past 3 years.
- Any further increase in employee wages through collective bargaining, without adequate and sustainable funding behind it, will be deemed simply unaffordable and unsustainable for many providers, leading to a reduction in services. With a large proportion of social care provision in the UK being provided by small providers with little to no ability to absorb these additional costs, and with rising demand for adult social care, this is concerning for the sector.
- In the Bill's economic impact assessment, it states that that such trade union reforms are expected to result in higher costs for local authorities' commissioning services and for self-funders, and in turn, greater costs to the Exchequer. It recognises the limited ability for providers to respond through productivity improvements and erosion of pay differentials. This assessment must be considered, with appropriate boundaries in place, to ensure providers are not forced to shoulder this cost, and Local Authorities are not put under undue pressure.
- In addition, significant disparities exist between Northern and Southern Regions of the UK in terms of funding, with Northern areas often receiving lower levels of funding despite often higher needs of residents. With the potential for increased cost pressures on providers through the outcome of collective bargaining, there is a real risk of worsening the north-south inequities.
- We support the Government's amendment, restricting trade union access to ensure that access is not extended to workplaces that are also dwellings; the safety and wellbeing of our residents remain our priority.
- Whilst supportive of increasing workers' pay and conditions within social care, this must be done in a balanced way, ensuring both workers' needs are met whilst ensuring the financial sustainability of a sector that is already battling chronic challenges.
- Sustainable agreements must account for the limited ability for providers to fund significant uplifts, whilst ensuring that social care remains an attractive sector to work within.