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Dear Kevin

Held to Ransom: What happens when investment firms take over UK care homes?

I am writing to you, on behalf of UNISON Scotland's Social Care Committee regarding the above report which was commissioned by UNISON to examine the impact on social care when delivered by private investment firms. I have attached the full report and a summary report in the hope it will have an impact on your thinking in regard to how the National Care Service will be structured.

UNISON's Social Care Committee is appalled but not surprised by the contents of the report. The testimonials in the report from all over the UK, including Scotland, echo the experiences of our members. They demonstrate very clearly the human cost of private profit in our social care system.

UNISON was disappointed that Scottish Government's response to the National Care Service consultation did not definitively rule out the involvement of this type of company in the future provision of care in Scotland. We urge you to use the launch of the legislation on a National Care Service to do so.

Previous reports commissioned by UNISON such as CICTARs 'HC-One: Death, Deception, Dividends' showed that investment in social care returned higher profits than other investment opportunities like hotels and office buildings. Without being glib, when even Jeremy Hunt describes these companies business model as "the unacceptable face of capitalism" then no opportunity should be lost to exclude them from the system.

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Every problem in the social care system can be linked back to these employers. Money leaves the system, often untaxed, meaning low wages and poor conditions. The drive for profit forces local cuts and poor levels of care, pushing staff out of their jobs. Low wages, poor care levels, and increasing demands, prevent new applicants from staying. It is a vicious circle that will impact on every attempt to turn the social care staffing crisis around.

Schedule 4, Part 12 of Coronavirus (Scotland) (No 2) Act 2020 demonstrates that the Scottish Government can deny public funds to entities that are based in tax havens or are subsidiaries of companies who are. UNISON urges you to make this principle central to the legislation for the new National Care Service. Not doing so is to signal an approval of this type of profiteering in our social care services and make a lie out of the First Ministers claim that the National Care Service will be "a fitting legacy of the trauma of Covid".

UNISON members, social care workers, and the vulnerable people of Scotland will thank you for it.

Yours sincerely

AUDREY McCABE
Chair of UNISON Scotland Social Care Committee

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