

PETER GIBSON MP



HOUSE OF COMMONS LONDON SW1A 0AA

September 2021

Dear Constituent

Thank you for your email me about the proposals for adult social care.

I know that many of my constituents across Darlington have faced tough challenges and difficult decisions when it comes to the care of our friends and loved ones. As a trustee of a local hospice and as a high street solicitor, I am acutely aware of the challenges that families face. I recognise that the social care system could be working better both for those who use it and for those caring for others.

I was elected on a manifesto commitment to tackle the issue of social care, and I am proud to support a Government that is committed to taking the difficult decisions and tackling these problems head on, helping to clear the NHS backlog, and put Social Care on a firmer footing.

An extra £36 billion will be invested in the health and care system over the next three years, including £5.4 billion in adult social care, to ensure it has the resources it needs to recover from the pandemic. In order to fund such a significant increase in permanent spending, the Government has had to make the tough but responsible choice to increase taxes. A new 1.25 per cent dedicated Health and Social Care Levy, based on National Insurance Contributions, is therefore being introduced. This is on top of the extra £33.9 billion funding for the NHS that came from last year's NHS Funding Bill, plus the extra £92 billion put into the NHS during COVID, with £63 billion this year and £29 billion for next year.

As a Conservative, I never want to see taxes rise but equally I know that our NHS and Social Care sector have faced unprecedented challenges over the last 19 months, and we need to own up to the simple fact that as a society we are not putting enough into social care. This could not have been paid for by borrowing without causing even greater problems later down the line.

I welcome the Government's proposed changes to the care charging model. From October 2023, nobody starting care will have to pay more than £86,000 for their personal care over their lifetime, a seismic change in the way care is paid for. As a result, people will rightly no longer have to suffer the fear caused by unpredictable or unlimited care costs, which at present are unlimited and also gives families certainties they will always be left with no less than £100,000 from their assets, an increase from the current floor of £23,250.

Member of Parliament for Darlington

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It is worth noting that there are some exemptions to the Levy, which is applied at a flat rate of 1.25 per cent. People earning less than the Primary Threshold / Lower Profits Limit in 2021-22 will not pay the Levy, and the Levy will not apply to Class 2 or 3 NICs. This means that the highest 14 per cent of earners will be paying around half the revenues of the Levy, and that no-one earning less than £9,568 will pay a penny. Further, unlike Income Tax or VAT, an increase in NICs ensures businesses contribute alongside employees and the self-employed.

This is an important start to reforming social care in this country and I look forward to seeing how the Government's plans progress. As your MP, I can assure you that I will be engaged in all discussions about these reforms and will continue to ensure that the views of my constituents are represented in Westminster.

Once again, thank you for taking the time to contact me and if I can ever be any further assistance to you then please do not hesitate to contact me again.

Yours Sincerely
Peter Gibson

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