



Position Statement from the National Carer Organisations on the increase in Employer National Insurance Contributions.

The UK Government [Autumn 2024 Budget](#) introduced changes to the level of Employers' National Insurance Contributions. Since this announcement, the National Carer Organisations (NCOs) have been working closely with local carer organisations to understand the implications of this decision on support to Scotland's 627,700 unpaid carers.

It is clear from this work that the increase in Employer National Insurance Contributions will have a serious and detrimental impact on the work of local carer organisations in Scotland and on the support they provide to unpaid carers. We are urging funders to step in and increase grant awards to cover the additional costs.

A Perfect Storm

A combination of insufficient and insecure core funding, the rising cost of living and a significant increase in the number of unpaid carers seeking support, is contributing to capacity issues for local carer support organisations in Scotland. This has been further compounded by the increase in Employer National Insurance Contributions coming into effect in April 2025.

Research in 2023¹ found that 42% of local carer organisations had received no uplift, or a reduction in their funding from statutory contracts in the previous two years, despite referrals increasing by an average of 41%. Very few funders have provided additional funding for salary uplifts, or fully compensated for rising costs, meaning many local carer organisations have had to increasingly use their reserves. This has implications for staff retention and recruitment, as well as the long-term sustainability of organisations.

The Impact on Unpaid Carers

A recent survey by the Coalition of Carers in Scotland and Carers Trust Scotland reveals that these factors are already having an impact on the services provided to unpaid carers, including:

- The closure of some services and staff redundancies
- A reduction in staff hours and operating hours.
- A reduction in some services, which are not part of the core contract, such as counselling services and peer support groups.
- A reduction in the number of unpaid carers supported each week.
- The introduction or extension of waiting lists for support.

¹ Carers Centres Funding Survey, The Coalition of Carers in Scotland, August 2023

- A move towards more support being provided online to reduce operating costs.
- Less preventative support being provided.

Conclusion

Scotland's Census showed evidence of a growing unpaid carer population *and* more unpaid carers caring for longer hours². Caring can have a significant impact on all aspects of a person's life – their physical and mental health, finances and career opportunities.

As essential frontline services for unpaid carers, local carers organisations will almost certainly see the upward trajectory of demand on services continuing, particularly given the ongoing issues with other parts of the social care system which is struggling to meet demand.

Local carer organisations have proven themselves to be trusted partners, who are able to deliver best value, while also providing additionality. But if these funding issues are not addressed they are likely to compromise the support they currently provide to unpaid carers and may prove to be an impediment to future developments.

Additional investment is needed now, including increasing current grant awards to compensate for the rise in Employer National Insurance costs. This will protect local carer support services and unpaid carers' health and wellbeing, thereby preventing more money being spent on avoidable crisis support in the future.

² [Scotland's Census 2022 - Health, disability and unpaid care](#), National Records of Scotland (2024)