

Rt Hon Rachel Reeves MP
1 Horse Guards Road
Westminster
London
SW1A 2HQ

19th November 2025

Re: On behalf of families facing dementia - a personal plea to the Chancellor of the Exchequer to STOP charging VAT on CiC dementia day care

Dear Rachel Reeves,

My name is Dr Michael Staunton, I am a veteran Army medic and care for my wife, Dr Avril Staunton, who is also a veteran medic and lives with a rare form of dementia diagnosed when she was just 60.

I write to you today on behalf of families facing dementia because there is an unfair tax anomaly that means non-profit, Community Interest Companies are forced to charge us VAT on essential day care.

A tax anomaly that means many families can't afford the dementia care they need. Over the last ten years, families have paid an additional £500,000 in VAT from one care provider alone.

Avril spends two days a week at The Filo Project, a CiC providing community-based care where paid hosts welcome small groups of people with dementia into their home for the day.

The Filo Project is a lifesaver to me and many other family carers. It's not a matter of convenience, it's a lifeline. Especially when I am exhausted and Avril's needs have escalated.

It makes such a difference to individuals with dementia, provides respite to unpaid carers like me, and ultimately saves money for Local Authorities as families are less likely to reach crisis point and can stave off expensive residential care.

Avril and I worked all our lives and served our country in the Armed Forces. We paid our taxes and did everything right, or so we thought. Now, when we finally need help, we're taxed for it because Filo is a Community Interest Company, not a charity.

Dementia is a permanent, progressive disability. If Avril had a different permanent disability, her care could be VAT-exempt, or paid for by the state. But for some reason, high-quality dementia care from a Community Interest Company doesn't qualify.

The system treats Avril's dementia like a lifestyle choice, not a permanent, progressive disease.

That extra £18 a day might not sound much in Westminster, but for many families it's the choice between their loved one receiving care, and eating or heating. And it feels like a personal insult - as if caring for my wife at home is something the Treasury wants to make harder.

As you can see from the co-signatories, I am not the only one who feels this way.

So please, in the upcoming Budget, fix this. Extend VAT exemption to include Community Interest Companies who provide dementia care.

The change would cost you next to nothing, and it would mean the world to families like mine.

Your sincerely

Dr Michael Staunton