

No Rabbits for Social Care...



Vic Rayner
Executive Director
National Care Forum

22 November 2017

“Others may choose to reject the future – we choose to accept it” says Philip Hammond in his second budget speech as Chancellor of the Exchequer. In many ways this sums up the expectations that surrounded social care within this budget. The pre-budget sop in the form of [the announcement](#) of the timetable and thrust of the social care green paper, gave all but the most optimistic pundit a sense that the budget would contain nothing new for social care. We had been presented with a directive to focus on the future, and any short term fix would be tantamount to funding the past – but where there is breath there is hope!

So the headline is – there is no headline for social care. However, there are a number of areas that bear examination for their potential impact on our sector.

Short term funding fix for the NHS – The Chancellor announced a short term funding package of £2.8bn, outside of the spending review envelope, for the Health Service to address current pressures. This included £350m for this year to focus on winter pressures, £1.6bn for 2018/19 and the balance for the remainder of the parliament. The potential for some of this to be focussed on the interface between health and social care at the point of discharge may present opportunities.

Wages - Whilst there was no final announcement on nurses pay, it was made clear that the Secretary of State for health was in discussion over pay structure modernisation – and as appropriate – the Chancellor would find funds for the outcome of this. Any resultant increase in public sector pay for nurses may well impact on nurse retention within social care. In addition, the Chancellor committed to the increases in National Living Wage, confirming the 4.4% uplift in 2018 to a minimum of £7.83 an hour.

Housing – Significant announcements around accessing the housing market and reforms to planning dominated this part of the speech. Although there were some areas that might impact on members including the reinvention of the Homes and Communities Agency into Homes England – which will have overarching responsibility for funding, planning, expertise and compulsory purchase. In addition, the removal of stamp duty for all first time buyers has to be good news for many of the social care workforce.

Workforce Development – There was a major focus on skills for the future, and social care should not be shy of looking toward the increasing emphasis on digital skills. We will need this in our workforce if we are to take advantage of the many technological advances. The availability of more on line skills packages for digital learning, and the commitments to retrain people within their working lives are good news for our staff. In addition, the note by the Chancellor that he will ‘keep under review’ the flexibility that levy payers have to use their funds.

Finally – there was a strong message around the shortfall in productivity across the economy and [my response](#) to that is as follows:

“The chancellor spoke today of the significant productivity challenge facing the UK economy, yet failed to take the opportunity to invest in a sector that employs over 1.5million workers. The opportunities that investment

in technology, buildings and workforce skills would bring to the social care sector would be felt at both a local and national level. Recent analysis by Skills for Care ([1](#)) estimate that the social care sector contributes no less than £41.8bn to the English economy. The chancellor has played an own goal in his quest to improve UK productivity through his failure to provide short term support to a sector described by the regulator as one where the stresses and strains cannot be sustained ([2](#)). The role of the Green Paper in identifying a long term sustainable solution for social care has never seemed so urgent.”

If you are left hungry for more budget analysis then check out the Guardian quick overview [here](#)

www.nationalcareforum.org.uk

