



# Briefing: March 2017 Budget

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The Chancellor Philip Hammond delivered his first and last 'Spring' Budget on 8 March (as Budgets will in future take place in the Autumn). In a document that was light on surprises, most of the key points having been well-signalled beforehand, social care finally received some welcome attention. This briefing picks out the main points, but the full documents are available here: <https://www.gov.uk/government/topical-events/spring-budget-2017>

Age UK – along with many other organisations - has been calling for an emergency injection of funding for social care which, as set out in our report [\*The Health and Care of Older People in England 2017\*](#), is now not only failing to meet the needs of increasing numbers of older people (1.2 million at our latest count), but also having an increasingly serious knock-on effect on the rest of our healthcare system.

In the event, the Chancellor proposed funding of £2bn over 3 years

## **Health and Social Care**

The Chancellor has confirmed that local councils will receive an extra £2bn over the next three years for social care, with £1bn available in 2017/18. This is in addition to the measures announced in the Autumn Statement and will “allow local authorities to act now to commission new care packages”.

This funding will be supplemented with targeted measures to support those areas facing the greatest challenges, particularly in reducing delayed transfers of care between NHS and social care services.

The Chancellor also confirmed a Green Paper on social care funding will be published later in the year. He said a “death tax” will not be an option.

In relation to health care, the Chancellor announced £325m of capital funding over three years for pioneering Sustainability and Transformation Plans (STPs) where there is the strongest case to deliver real improvements for patients and to ensure financial sustainability in the health service.

He also made a promise of a "multi-year capital programme" at the Autumn Budget to support the rest of the STPs, where a further round of local proposals will be considered, subject to rigorous value for money tests.

He then announced £100m of capital funding towards a new A&E department triage system to allow for better assessment of patients when they arrive at A&E (for example

## **State Pensions and benefits**

State Pension and benefit rates were also announced in November 2016. Some key points are:

The full basic and full new State Pension will be increased by 2.5% to £122.30

## **Employment, learning and skills**

### **Lifelong learning**

In addition to significant new investment into technical education for school leavers, the government committed £40million to fund pilots aimed at investigating new ways to encourage lifelong learning that helps people retrain and upskill throughout their working lives.

The Government also committed £5 million in 2018/19 to fund ‘returnships’ for people who have had a “lengthy career break” – this could include childcare or providing informal care for a friend or relative.

These changes are welcome and we look forward to more detail, although for many years skills funding has failed to keep pace with the changing labour market. We hope this marks the beginning of a serious attempt by Government to ensure people of all ages can access learning opportunities.

### **Student loans**

The Government has extended eligibility of maintenance loans for Higher Education to part-time students. One of the failings of the existing loan system is that it is highly focussed on full-time undergraduates, so this is a welcome move that should make it possible for people to re-train as adults. There is, however, still an age cap of 60 which the Government must now remove – this is especially pertinent in the wake of rising State Pension ages.

## **Consumer issues**

The Government will publish a competition and markets green paper later this year to examine markets that are not working efficiently or fairly. The Budget sets out the initial steps the government will take, including:

- legislating at the earliest opportunity to allow consumer enforcement bodies, such as the Competition and Markets Authority, to ask the courts to order civil fines against companies that break consumer law.

- developing proposals to protect consumers from facing unexpected payments when a subscription is renewed or when a free trial ends

- considering how to make terms and conditions clearer, simpler and shorter for consumers to engage with.