

Spring Budget 2017: Local Government

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In Spring Budget 2017, the government has announced £2bn will be invested in adult social care over the next three years. It also announced £536m in funding for new free schools and to maintain existing schools. Free transport will be made available for children from poorer families to attend selective schools. It will also be rolling out tax-free childcare and introducing 'T-Levels' for technical students.

Adult social care

The government will invest £2bn in adult social care over the next three years. £1bn of this will be made available in 2017-18, which the government has said will ensure councils can take immediate action to:

- fund care packages for more people
- support social care providers
- relieve pressure on the NHS locally

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

The government has also committed to a green paper, which will propose ways to make adult social care sustainable in the face of future demographic challenges.

Bevan Brittan LLP, partner Judith Barnes has said: 'While the £2bn to 2020 for social care sounds like a lot of money it is nowhere near enough to plug the gap on social care which the Local Government Association recently forecast is £5.8bn to 2020.'

LGA chairman, Lord Porter, adds that: 'Councils must have full flexibility over how they use this funding to ensure it helps people live independently in their communities and surrounded by their families and friends and to provide support to older people and those with mental health conditions, learning and physical disabilities.'

Judith Barnes believes the government's green paper will initially target delayed discharges from hospital as this 'blockage' in the system causes significant extra cost and in some areas cancellation of planned procedures. She said: 'Just 24 authorities are responsible for over half of all delayed discharges to social care. No doubt these local authorities will be targeted, along with better integration with health across the board, presumably in line with the sustainability and transformation plans.'

NHS

Alongside the funding for social care, the government has promised £325m will be invested in a first set of the best local sustainability and transformation plans (STPs).

STPs are the NHS's plan for improving patient services in local regions, developed collaboratively by NHS service leaders and their local partners.

£100m will also go towards helping to manage demand on A&E services and ensure that patients are able to access the most appropriate care as quickly as possible. For example, the funding will enable better assessment of patients when they arrive at A&E and increase the provision of on-site GP facilities.

Quentin Cole, PwC health industries leader, said: 'The Chancellor's announcement shows that the government realises the pressures on the health and social care systems are interrelated, and the answer lies not just in efficiency savings.'

Education

£320m will be spent on establishing up to 140 'free schools' which will include:

- independent led schools
- faith schools
- selective schools
- university led and maths schools

£216m will also be invested in the maintenance of existing schools.

To enable poorer children to attend selective schools, the government has announced it will be expanding the current 'extended rights' entitlement for children aged 11 to 16, who receive free school meals or whose parents claim maximum working tax credit.

They will now get free transport to attend the nearest selective school if it is between two and 15 miles away from their home. This is in line with existing provisions for those attending faith schools.

Trowers & Hamblins partner Helen Randall has said: 'There will still need to be a process of due consultation and appropriate governance structures established before free schools can start operating and the people running the free schools must ensure they understand that running a school is a specialist business so they may need help.'

Ms Randall notes Hammersmith and Croydon councils have both set up companies with former local authority staff to help the growing number of free schools and academies and says 'perhaps we will see more of those models'.

T-Levels

New 'T-levels' for 16 to 19 year old technical students will be introduced from autumn 2019.

Students will be able to choose from 15 different routes, such as:

- construction
- digital
- agriculture

The number of hours of training for these students will increase by over 50% and all students will take part in an industry work placement as part of their course.

Associate director for policy, research and public affairs at the CIOB, Eddie Tuttle has said: 'The offer within these 'T-levels' of a high quality work placement is vital, alongside further education institutes and employers...Achieving greater parity between academic and vocational education and providing 'work-ready' employees is particularly crucial in construction.'

Mark Lynch, legal director and head of transactional construction at Reynolds Porter Chamberlain LLP, adds that: 'The T-Level technical qualification has, in the long term, the potential to help take the heat out of the current problem with supply and demand in the construction sector, but, we won't see the benefits of this for many years.'

Tax-free childcare

The government will shortly be rolling out tax-free childcare for working families with children under 12.

This will provide up to £2,000 a year for each child to help with childcare costs. Meanwhile, parents will be able to receive up to £4,000 for disabled children up to the age of 17.

From September 2017, the free childcare offer will double, from 15 to 30 hours a week for working families with three and four year olds in England, worth up to £5,000 for each child.

Devolution

The Mayor of London, Sadiq Khan, has welcomed the publication of a new London Devolution Agreement in the **Spring Budget 2017** . The agreement includes:

- a new Development Rights Auction pilot model for funding future infrastructure projects
- exploring options for granting London more powers over the administration of business rates within London
- a devolution deal on criminal justice services to be published by June
- an agreement has been reached to devolve a number of healthcare powers in London

Sadiq Khan has said: 'Giving London the ability to invest more in building crucial new infrastructure and devolving control of business rates will help increase economic growth and improve productivity...And granting London greater control over health, criminal justice, skills and back to work programmes will allow us to better improve the life chances of thousands of Londoners.'



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