

## The Tories sold a social care con-trick yesterday that ...

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Yesterday was an unusual day in UK politics. What the Tories recognised, albeit deeply reluctantly, was that the boundary between the state needed to be extended. Given changes in need, demographics and costs the direction in which they have been driving the economy for the last decade has been proven too be wrong. The ever shrinking state is not possible. They had to concede that their decade of cuts in social care had to be reversed. And that, in a very inadequate, unjust and partial way, is what they have begun to do.

I stress the point about the reversal of cuts. The additional spending announced yesterday does no more than restore some of the cuts in social care imposed during the last decade.

The spending on the NHS is recognition that the formulas used to claim that it has been ringfenced are wrong because healthcare inflation has been higher than general inflation rates due to the increasing complexity of care.

In that case this is not a generous settlement. It is instead a reversal of a trend in government spending that is long overdue.

That reversal reflects something I have suggested for some time, which is that when the private sector is both failing to innovate and is therefore finding it hard to stimulate demand from consumers for products that many do not really want the real capacity for new activity in the economy is in the state sector. Few doubt that people do want more healthcare, social care, education, justice, housing and environmental reform. The very tentative step towards rebalancing made yesterday is recognition of that.

That was the best thing I can find to say about yesterday's announcement. That the Tories have been forced to recognise that the state not just has a role, but that it might need to be a bigger one is the good news.

The bad news is that they are still hopelessly unable to comprehend what that means in terms of funding and policy delivery.

I will discuss funding in another post. On policy delivery what was very apparent yesterday was that what was being delivered on social care was a tax increase on low paid workers so that the wealthy could retain more of the value of their properties to pass on to their children. That was the driving force behind this change. Everything else is a footnote to that goal. As policy priorities go few are as perverted in the face of need as that.

When it comes to practical delivery the statements made were even worse. Social care is largely delivered by local authorities. There was no indication of additional support being supplied to them. Nor was there any indication of how the social care sector might attract the staff needed to supply the services that are now so essential, including by providing funding for better pay. Nor was there a hint as to how the staffing crisis caused by Brexit is to be solved.

As bad is the detail of the proposal for individuals with care needs. The £86,000 cap on care costs is just for care. But when a person goes into care, which is when these costs usually accumulate, there are also accommodation and food costs to pay. They are not covered by the cap. The government thinks they come to no more than £10,000 a year - which is a little more than what they think a student in a hall of residence can live on a year. Those costs will not be capped. The chance that these costs are already higher, and will rise as pressure on costs in care homes increases, is significant. In that case the cap is not a cap at all. Sometime the backlash to that will kick in. As usual the Tories have sold a con-trick. Their MPs would be wise to note this today.

In summary then, this deal does not do what it says it will, and does nothing to solve the actual problem of care provision because the intention is that much of the value of the spend will be captured for private gain by those with wealth. There is a need for better funding for the NHS and social care. That is beyond dispute. But even before the flaws in the tax choices made are considered this plan is not the way to deliver that change, largely because that is not its real intention. The consequence is that on the ground nothing of consequence will change. And that is what really matters. Redrawing the boundary between the state and private sectors to increase private wealth is not a policy at all, built is instead another raid by the well off on the public purse. And it is those that have to end.