



# SPRING BUDGET 2017

## MEDIA ANALYSIS & STAKEHOLDER REACTION



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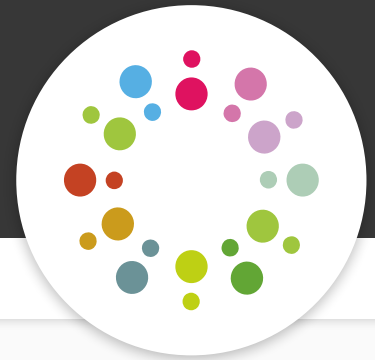
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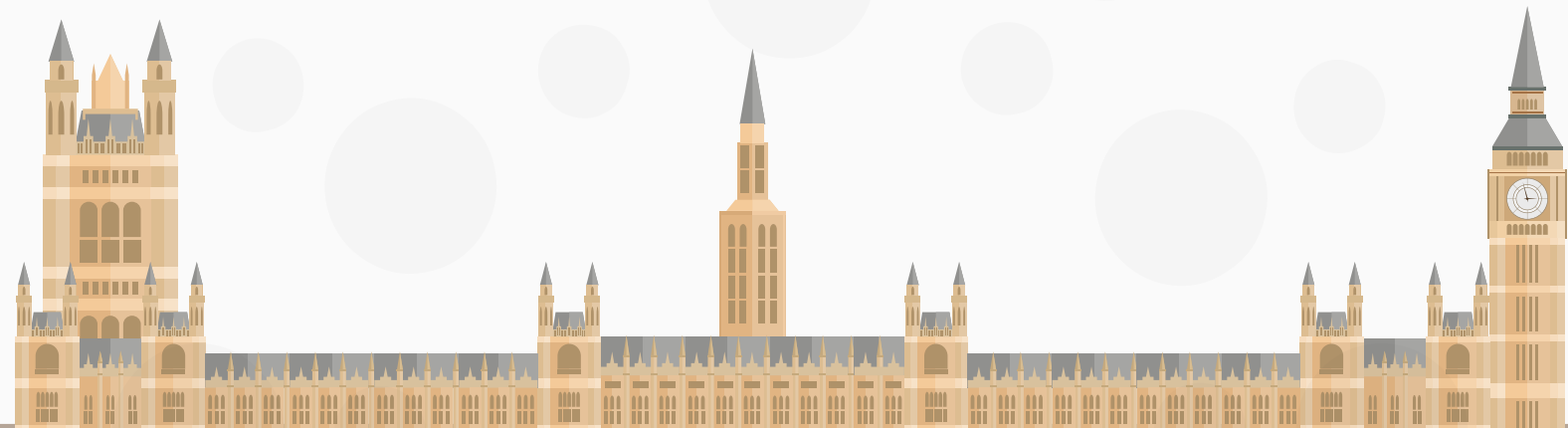
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# The Budget at a glance

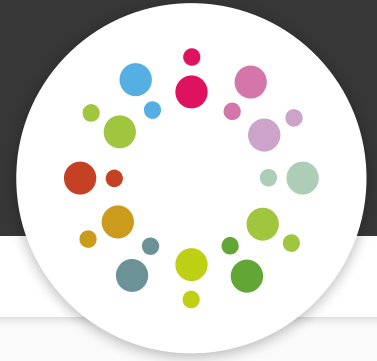


- The Chancellor announced a forecast of 2% growth for 2017, up from 1.4%
- Responding to recent criticism over business rate changes, the Government announced three measures which total a business rate reduction of £435m
- Self-employed earners will see an increase in Class 4 National Insurance Contributions in a bid to raise £145 million from the self-employed by the Treasury
- The sugar tax has been set at 18p and 24p per litre for medium and high sugar content drinks
- £320million has been pledged to take the total number of free schools to 500
- T-Levels have been introduced as a technical alternative to A Levels
- After heavy criticism for failing to mention social care in the Autumn Statement 2016, Hammond has announced £2bn for social care over the next three years and a green paper to be published this year – although there has already been criticism that these measures don't go far enough

Get our full Budget Summary here



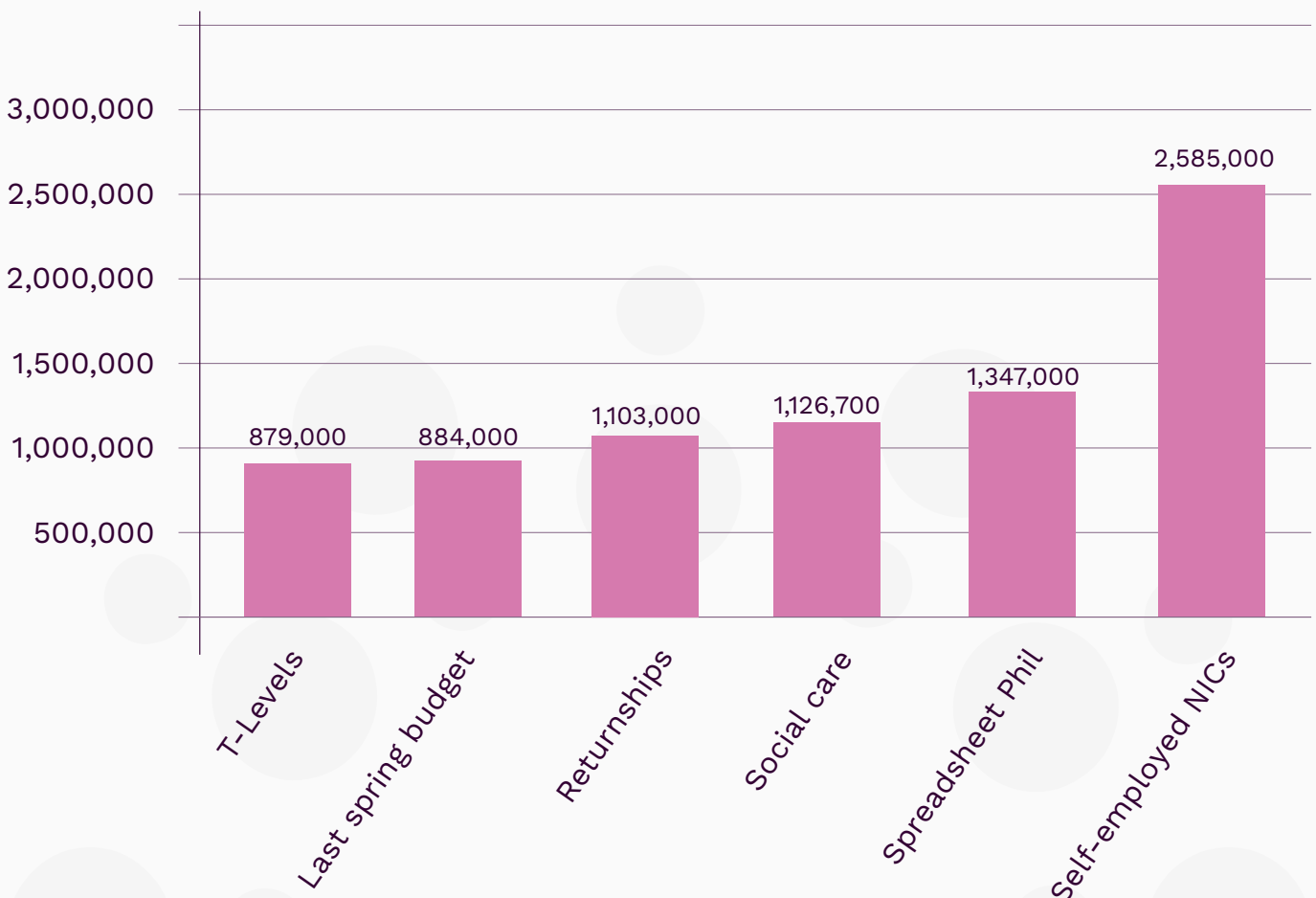
# Media Analysis



While it certainly wasn't a ground-breaking Budget, Hammond's tax hike for self-employed earners overshadowed all other policy announcements online. The NIC increase came as a surprise to many given the dominance of self-employed workers in Conservative constituencies, and the more conservative press has today rounded on the Chancellor for betraying the 'typical' conservative value of entrepreneurship.

On social care, there are suggestions that funding, which Hammond was criticised for supposedly ignoring in the Autumn Statement, has now come at the expense of the NHS. While sentiment analysis of "social care" mentions suggests that the increase in funding was generally well received online, corresponding mentions of the NHS were far more negative – indicating that the public saw the social care investment as part of a zero-sum game for UK health.

## Social media response to budget issues



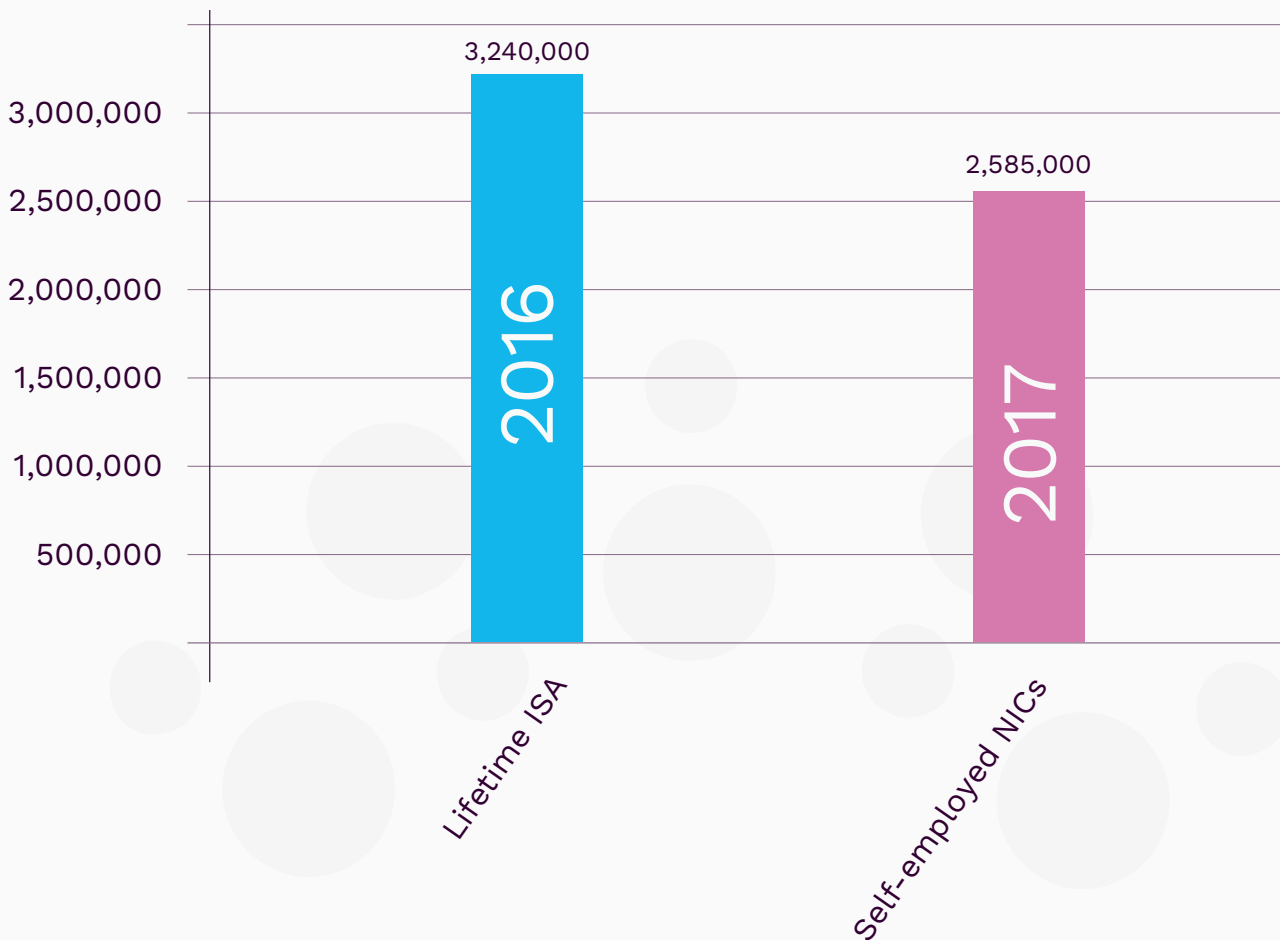
# Media Analysis



## Hammond vs Osborne

The contrast in numbers between Hammond and Osborne’s most ‘popular’ (or unpopular in Hammond’s case) announcements largely reflects the overall buzz around the two events. While Hammond seemed more comfortable then during the Autumn Statement, the trimmed down nature of the Budget itself means there are simply less policy changes to react to. And whereas Osborne’s ISA was a crowd pleaser, Hammond’s big announcement has been far from well received by either the public or press.

## Budget 2016 vs Budget 2017: Most mentioned phrase



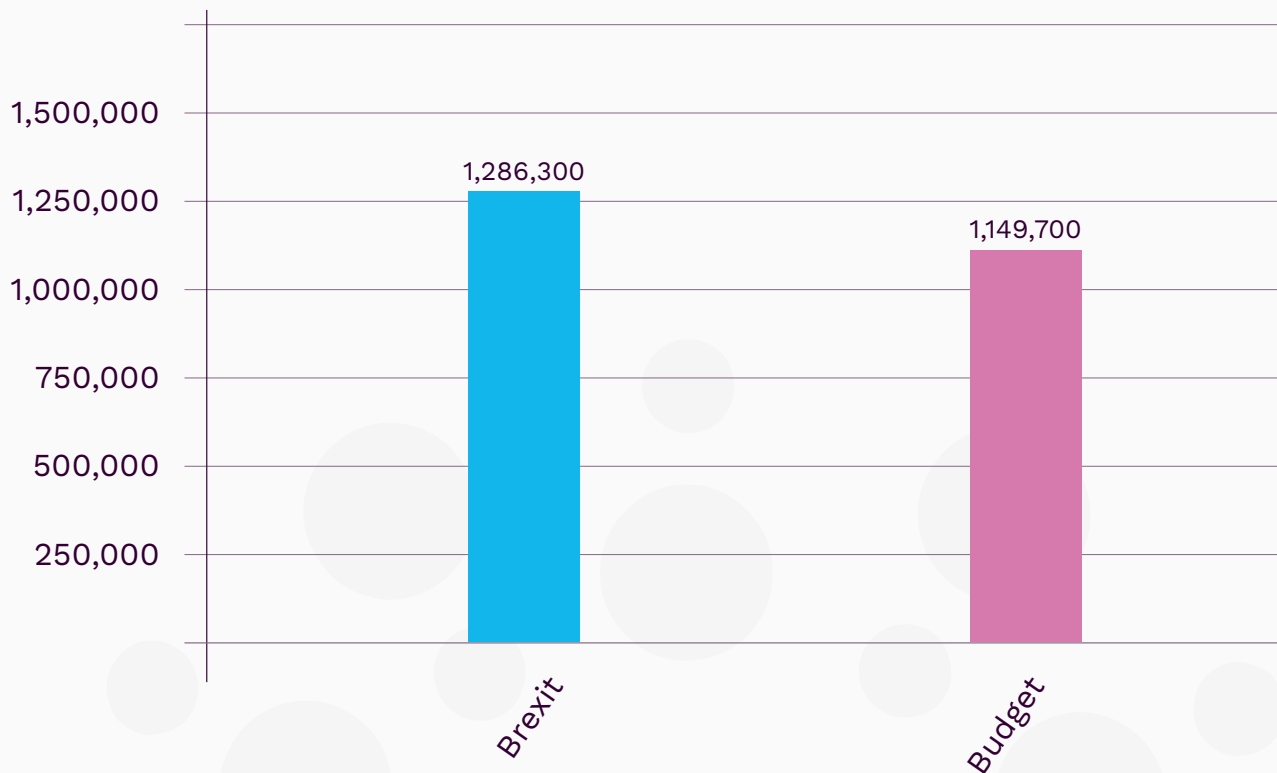
# Media Analysis



## Budget vs Brexit

The fact that Hammond steered clear of mentioning Brexit didn't go unnoticed, with more Brexit mentions online than for the Budget itself. While some have been quick to argue that this is an oversight on behalf of the Chancellor, others have suggested that a Budget notable primarily for the absence of major policy change is very much a Brexit Budget.

## Brexit vs Budget mentions



# Opposition Leaders' Tweets



**Jeremy Corbyn**  
@jeremycorbyn

“ Conservatives only listen to big business - corporation tax cut by 40%, while 4.8m self-employed hammered with 22% NIC rise. #Budget2017 ”



**Tim Farron**  
@timfarron

“ Targeting the self employed, hitting White Van Man with a tax hike betrays Theresa May's pledge to help the just about managing. #Budget2017 ”



**Caroline Lucas**  
@CarolineLucas

“ A #Budget2017 speech summary: No mention of climate change, a pittance for the #NHS, a woefully inadequate response to social care crisis. ”



**Angus Robertson**  
@AngusRobertson

“ Jaw dropping that given Brexit is the biggest challenge to our economy there was not a single mention of it in the budget #Budget2017 ”



**Paul Nuttall**  
@paulnuttallukip

“ Hammering the self-employed is a funny way of encouraging hard work Mr Hammond; not to mention breaking Tory manifesto pledge #Budget2017 ”

# Journalist Tweets



90

Robert Peston

@Peston

“

Overall this is a small-beer budget - tax rises and spending promises all pretty small

”



86

Owen Jones

@OwenJones84

“

A huge opportunity for Labour to stand up for self-employed people, who often value independence but are blighted by insecurity #Budget2017

”



86

Fraser Nelson

@FraserNelson

“

Self-employed now make up 15pc of all workers. That's a lot of people who'll wonder why Tories broke 2015 manifesto pledge on no tax rises.

”



85

Laura Kuenssberg

@bbclaurauk

“

SNP says govt is 'living in parallel universe' by not dealing with black holes Brexit could create in the budget

”





# Journalist Tweets



84

**Faisal Islam**  
@faisalislam

“

Green Paper on long term review of social care funding but not “Labour’s hated death tax” - bipartisanship on this issue didn’t last long

”



79

**Sam Coates Times**  
@SamCoatesTimes

“

In the post budget Treasury briefing. Much discomfort over breaking manifesto promise over NICs self employment rise.

”



76

**Adam Boulton**  
@adamboultonSKY

“

To be clear @jeremycorbyn did not pick up on changes in NICs for the self-employed in his #Budget2017 response.

”



76

**Evan Davies**  
@EvanHD

“

This year’s Red Book has 64 pages, as opposed to 145 last year. It’s a back to basics #Budget2017

”



75

**Mike Smithson**  
@MSmithsonPB

“

If the opposition leader wasn’t so feeble May/Hammond would find it harder to ignore specific manifesto commitments

”

# Journalist Tweets



60

**Guido Fawkes**

@GuidoFawkes

“

The hike in NICs will pay for just under 2 miles of #HS2

”



72

**Richard Wellings**

@RichardWellings

“

Tax-related red tape costs British business around £20 billion a year. Why didn't Hammond address this? #Budget2017

”



71

**Isabel Hardman**

@IsabelHardman

“

Hammond announces £2bn over next three years for social care funding. But as predicted he focuses on low performing councils.

”



71

**Tim Montgomerie**

@montie

“

No tax simplification. No big infrastructure boost. No Whitehall reform. No Universal Credit relief. No imagination #budget

”



73

**Andrew Neil**

@afneil

“

Pretty low key budget from Mr Hammond. So Mr Corbyn seems to be ignoring its contents in his riposte.

”



# Stakeholder Reaction

## Tax



“We are very worried about the rising rate of inflation and how it could leave many families with shrinking household budgets. Many are already making hard choices when they are shopping for food and other everyday essentials.

We therefore welcome the rise in the living wage and personal tax free allowance, and the reduction in the Universal Credit taper rate, which will offer some help to financially vulnerable families. Nevertheless, our most vulnerable households are facing significant challenges over the next year.”

Turn2us

“The Chancellor missed an opportunity to make major reforms to our outdated corporate tax system or tackle the thicket of loopholes and exemptions that plague our tax code. But, he has another budget in the Autumn, that’ll be where the real action is. He should think hard about deeper reforms then.”

Adam Smith Institute

“However, in these uncertain times, the Chancellor is likely to hold some ammunition back, in case the economy proves weaker in the run up to UK’s departure from the EU, so more significant policy announcements are not likely before the Autumn Budget in November”

KPMG

“With millions of working people struggling to make ends meet, we welcome the Chancellor’s continued commitment to making essential markets work for consumers. It’s vital that the forthcoming Markets Green Paper addresses the issues that people face in financial services, energy, telecoms and transport.”

Which?

“The Chartered Institute of Taxation (CIOT) welcomes today’s announcement by the Chancellor of the Exchequer that, for businesses trading below the VAT registration threshold, the mandatory requirement to maintain digital records and submit quarterly updates will be deferred from April 2018 to April 2019”

Chartered Institute of Taxation

# Stakeholder Reaction

## Social Care



“Money is not the only issue. The majority of people continue to die in hospital, so unless the Government develops the capacity of community palliative care services, there will be more pressure on our already stretched hospitals”

Marie Curie

“The Chancellor talked about fairness, however this money doesn’t create a fair social care system on its own; it just keeps our unfair social care system as it is for yet another year.”

Care and Support Alliance

“The plan to publish a Green Paper on the future of social care funding is encouraging, but we have been here before. This time, the government must break the mould and deliver the radical reforms that are so badly needed.”

Kings Fund

“The £1bn extra for social care announced in today’s Budget is to be welcomed. However, the health service’s own figures suggest that social care needs a minimum of £2bn next year – the National Living Wage alone adds around £900m to the cost of social care in 2017/18.”

The Health Foundation

“The NHS and local government need to find new ways of working and of working together, which embrace prevention and help to keep people healthy for longer, thereby reducing pressure on overstretched services. The current system is not fit for purpose and it is time we all admitted it.”

NHS Confederation

“This budget does nothing to address the gaping hole in NHS finances. There is a £30bn gap to fill and we should be increasing the UK’s health spending by at least £10.3bn to match that of other leading European economies. The NHS and social care are at breaking point and have been failed by party politics for too long”

British Medical Association

# Stakeholder Reaction

## Employment



“The adjustment in NICs may discourage what has become one of the UK’s vital competitive advantages at a time it needs it the most. Although the government is working to increase support for the self-employed, by broadening access to the state pension and looking into parental leave provisions, this policy misses one key area where the self-employed and employees are innately different – risk.”

IPSE

“The changes to national insurance highlight the challenges associated with having a population that is working in increasingly diverse ways. With more people likely to become self-employed or involved in other forms of atypical employment in the future, the tax issues highlighted by the Chancellor will only become more problematic.

The Taylor Review into the gig economy provides a crucial opportunity to re-set the framework within which the labour market will operate in the future, and we look forward to working with Matthew Taylor’s team to ensure that workers are given more clarity about their working rights.”

CIPD

“The reforms to self-employment have attracted much of the attention. His critics on the right and left say he’s breaking a manifesto pledge not to increase National Insurance, while conservatives wonder whether one of their own should really be increasing the tax rate on the self-employed. The bigger picture here is that he needed to confront the anomalies of today’s labour market.”

Social Market Foundation

“The National Insurance rise to 10% next year and 11% in 2019 should be seen for what it is – a £1 billion tax hike on those who set themselves up in business. This undermines the Government’s own mission for the UK to be the best place to start and grow a business, and it drives up the cost of doing business. Future growth of the UK’s 4.8 million-strong self-employed population is now at risk. Increasing this tax burden, effectively funded by a reduction in corporation tax over the same period, is the wrong way to go.”

FSB

# Stakeholder Reaction

## Education



“Britain needs graduates who can combine high-level academic, technical and professional skills. If these are to be developed through two separate routes, there must be clear pathways between the two and an expectation that either can take you to doctorate level and beyond.”

University Alliance

“With its focus on technical education and skills being at the heart of the government’s strategy for inclusive economic growth, this Budget provides vital investment in technical education for young people.”

Learning and Work Institute

“The spending priorities outlined by the Chancellor today – with the focus on research and investment in people – will lead to new discoveries, new products and services, new companies and a stronger UK economy.”

The Russell Group

“For many schools, this Budget was their last chance. In our annual Breaking Point survey published in January, 72 per cent of school leaders told us that their budgets will be unsustainable by 2019. For them, this Budget was a chance to address this, and they will be bitterly disappointed by the total absence of extra money for schools.”

NAHT

“This investment is a vote of confidence in colleges that are ready to work with employers to co-design the new routes, deliver the 900 hours per year and help more young people make a smooth and successful transition to work and to higher level learning.”

Association of Colleges

# Stakeholder Reaction

## Transport & Devolution



“The Government’s commitment to investing in improved road networks is indeed welcomed. As the pace of innovation continues, the Chancellor’s pledges to keep the UK leading the drive for disruptive technologies is something I believe our profession can be leaders within”

Chartered Institute of Logistics and Transport

“Despite constant announcements, the government has struggled to get transport projects such as road and rail off the ground. We have a real concern regarding the quiet reduction in the transport infrastructure budget given that government has clearly outlined a major infrastructure programme to encourage companies to invest”

Construction Products Association

“Devolution and regions featured but only briefly, with commitments to funding for the devolved regions, the announcement of a Midlands Engine strategy to be published tomorrow, and moves towards further devolved powers for London. It was good to hear mayors mentioned, but overall devolution made up a much less significant part of the Budget than in 2015 or 2016”

Centre for Cities

“It is very positive to see the Chancellor holding steady on his promised investment and delivering £690M to local transport projects”

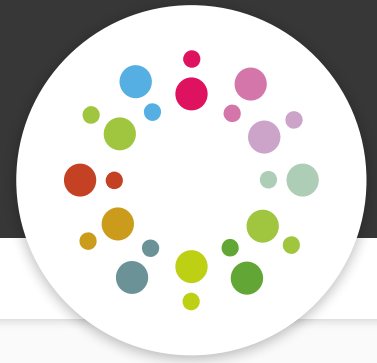
Chartered Institution of Highways & Transportation

“London urgently needs greater power over its tax base and public services, so this is welcome. But the MOU between London and Central government, included in the Budget papers, does not go far enough.

It is disappointing to see so little on fiscal devolution, especially over domestic property taxes and housing”

Centre for London

# About the Authors



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## About this report

The media analysis included in this document was conducted using Vuelio Political and News Monitoring software, and covers all forms of traditional and social media content from online newspapers and magazines to blogs, Twitter and Facebook, as well as comment forums, opinion sites, and the top video and image sharing networks.

## About Vuelio

Vuelio Political Services have everything you need to identify, understand and engage successfully with political stakeholders. Whether you want to educate MPs, influence a policy area, or build relationships for the future, the experienced Vuelio team - supported by our extensive data and cutting-edge technology - can help you target the right audience, track all your activity, and shape the political agenda.

