

Spring Statement

Growth Forecasts

2018 = 1.5%
2019 = 1.3%
2020 = 1.3%
2021 = 1.4%
2022 = 1.5%

The OBR has increased the growth forecast for 2018
Employment is up 3m since 2010, or 1,000 people finding work a day
Unemployment figures close to 40yr low
500,000 more people expected to be in work by 2022
Inflation expected to fall over next 12 months
Wages expected to outstrip priced over the next 12 months

Borrowing and Debt

In 2010, £1 in every £4 spent was borrowed money. Today, its £1 in every £18
Debt Interest is now £50bn – more than the police and armed forces budgets combined

The debt to GDP levels are...

2017/18 = 85.6%
2018/19 = 85.5%
2019/20 = 85.1%
2020/21 = 82.1%
2021/22 = 78.3%
2022/23 = 77.9%

Brexit

£1.5bn has been allocated to government departments for Brexit preparations. A total of £3bn is expected to be put in place by Budget 2018.

Housing

The Autumn Budget put in place a £44bn package of housing investment until 2022 and committed to building 300,000 houses a year by the mid-2020s

Spring Statement confirms 44 areas are preparing bids to secure part of the £4.1bn Housing Infrastructure Fund

The Housing Growth Partnership, which helps support smaller housebuilders, will be doubled to £220m

London set to receive £1.67bn to start building an addition 27,000 affordable homes by April 2022

Cost Of Living

The National Living Wage will rise to £7.83p from April 2018. Younger workers and those on apprenticeships will also see their pay increase.

The Personal Allowance will rise to £11,850 from April 2018

Business Rates

The next business rates revaluation will now take place in 2021 as opposed to 2022. Revaluation will then take place every 3 years as opposed to the 5 as currently occurs.

Transport

The 2017 Budget put in place an extra £1.7bn for improving transport in English cities. 50% of that money was reserved for combined authorities with mayors. The Government has now opened bids from cities for the remaining £840m

Improving the UK's digital connectivity

Autumn Budget 2017 launched a £190 million Challenge Fund to help roll out full-fibre to local areas – providing the fastest, most reliable broadband to more homes and businesses. Spring Statement 2018 allocates the first wave of funding, providing over £95 million for 13 areas across the UK (listed below)

Taxation Consultations

Single Use Plastics – The Government is consulting on how the tax system can be used to nudge individuals and businesses away from single use plastics. Any taxation raised would go into researching newer, greener products and services. £20m will be given to universities by the government to kickstart



work in this area and look at how to mitigate the impact of plastics on the environment

Digital Multinationals – The Government will be seeking views on proposals that will better collect tax from multinational businesses that trade exclusively or predominantly online

Cashless Economy – The Government will be seeking views on how to encourage the cashless economy whilst ensuring those who wish to trade using more traditional methods can continue to do so. It is also seeking views on how to address cashless tax evasion and money laundering.

Upskilling - The government is seeking views on extending the current tax relief to support self-employed people and employees when they fund their own training.

Supporting Documents

Local Fibre Broadband Projects - <https://www.gov.uk/government/news/95-million-for-local-full-fibre-broadband-projects>

Areas Awarded Money

Armagh City, Banbridge & Craigavon - £2.4m

Belfast - £11.5m

Blackpool - £3.0m

Cambridgeshire - £4.0m

Cardiff - £6.0m

Coventry, Solihull & Warwick - £5.7m

Highlands - £4.5m

London - £8.5m

Manchester - £23.8m

Mid Sussex - £2.2m

North Yorkshire (NYNet) - £15.1m

Portsmouth - £3.9m

Wolverhampton - £4.9m

Air Passenger Duty & Tourism Impact in Northern Ireland

<https://www.gov.uk/government/consultations/vat-air-passenger-duty-and-tourism-in-northern-ireland>

Corporate Tax & The Digital Economy Positional Paper

<https://www.gov.uk/government/consultations/corporate-tax-and-the-digital-economy-position-paper>



Build Out Planning Permissions Update

<https://www.gov.uk/government/publications/independent-review-of-build-out-preliminary-update>

Cash & Digital Payments In The Economy

<https://www.gov.uk/government/consultations/cash-and-digital-payments-in-the-new-economy>

EIS Consultation - <https://www.gov.uk/government/consultations/financing-growth-in-innovative-firms-enterprise-investment-scheme-knowledge-intensive-fund-consultation>

VAT Threshold Consultation

<https://www.gov.uk/government/consultations/vat-registration-threshold-call-for-evidence>

Taxation of Self-Funded Training Courses

<https://www.gov.uk/government/consultations/taxation-of-self-funded-work-related-training>

Extension of Security Deposit Legislation

<https://www.gov.uk/government/consultations/extension-of-security-deposit-legislation>

Online Business Tax Compliance

<https://www.gov.uk/government/consultations/online-platforms-role-in-ensuring-tax-compliance-by-their-users4>

VAT – Alternative Methods Of Collection

<https://www.gov.uk/government/consultations/alternative-method-of-vat-collection-split-payment>

Plastics Consultation <https://www.gov.uk/government/consultations/tackling-the-plastic-problem>

Entrepreneurs Relief Consultation

<https://www.gov.uk/government/consultations/allowing-entrepreneurs-relief-on-gains-made-before-dilution>