

# Autumn Statement: Greens offer 10-point plan of distinctive tax and spend policies to create a fairer, greener country



# Green Party

**21 November 2023**

Green Party co-leader Carla Denyer has outlined a 10-point plan of distinctive tax and spend policies aimed at delivering a fairer, greener country. She will dismiss the chancellor's Autumn Statement, saying it will be "another failed opportunity to end the cost-of-living crisis, tackle the climate crisis and restore crumbling public services on which we all rely."

Denyer said:

"Our 10-point plan identifies around £30 billion of additional funds that would be available from simply rebalancing the tax system so that the super-rich pay their fair share and both people and planet benefit."

"The extra revenue raised would enable the government to pay NHS staff an inflation-matching pay award, increase access to NHS dentists, increase Universal Credit, abolish the two-child benefit cap, improve bus services and help small businesses take advantage of the opportunities offered by greening the economy.

"Instead, the chancellor's Autumn Statement will be another failed opportunity to end the cost-of-living crisis, tackle the climate crisis or restore crumbling public services. It's clear that as the Tories continue to languish in the polls, Jeremy Hunt has more interest in electoral gimmickry that he has in creating a fairer and greener country."

**The Green Party's 10-point alternative would:**

- Restore the public health budget by increasing spending by £1.4 billion [1]
- Immediately increase NHS spending by £8 billion, to ensure NHS staff can be paid an inflation matching pay award [2]
- Meet the Government's current plan to increase access to NHS dentists by increasing spending 50 per cent – £1.5 billion – of the total NHS dentistry budget [3]
- End the rise in homelessness caused by the cap on Local Housing Allowances at a cost of £700 million [4]
- Increase Universal Credit by £40 per week at a cost of £9bn [5]
- Abolish the two-child benefit cap to reduce poverty for some of the most vulnerable children in the country by increasing the welfare budget by £1.3 billion [6]
- Provide the necessary powers and funding to rural local authorities to take back control of bus services so they can increase routes and service frequencies at a cost of £3bn [7]
- Turn ISAs green by linking their tax exemptions to investments in green bonds [8]
- Invest an additional £3billion in Green Transition Grants for small businesses to help them prepare for and take advantage of the opportunities offered by greening the economy [9]
- Rebalance the tax system to raise an extra £30 billion through changes to Capital Gains Tax, National Insurance and the abolition of "non dom status" which would pay for the proposed measures [10]

Championing the Green's alternative Autumn Statement, Carla Denyer said:

"These fairer, greener alternatives give just a flavour of what could be done if we had a Government willing to tackle the long-term crises we face. They would start to remove the fundamental injustice that means that wealthier people who own more assets often see a lower effective tax rate than less well-off people.

“Everyone deserves easy access to a dentist, improved public health, properly paid and supported doctors and nurses working with decent facilities, reduced poverty and homelessness, and accessible public transport.

“There is enough money in the economy to make our country fairer and greener. What is lacking is the political will to change priorities. And Starmer’s official opposition seems no more ready to offer this than the Government is. That is why we so desperately need more Greens in Parliament to make the case for the common-sense changes that can deliver a fairer greener country.”

## **NOTES on the Green Party’s 10-point plan**

- 1. Restore the public health budget at a cost of £1.4 billion.** The cut in public health budget has led to a fall in programs for smoking cessation and other key interventions that can lower the burden of disease. Lifestyle related non-communicable disease remains a huge component of the UK’s ill-health. Coronary heart disease and stroke are the biggest causes of death in the UK. The RCN, the RCGP and RCP are all calling for an investment in public health to lower the burden of disease in society and the pressures on the NHS.  
See [https://www.thelancet.com/journals/langas/article/PIIS2468-1253\(21\)00394-0/fulltext](https://www.thelancet.com/journals/langas/article/PIIS2468-1253(21)00394-0/fulltext)
- 2. Immediately increase NHS spending by £8 billion, to ensure NHS staff can be paid an inflation matching pay award.** The Institute of Fiscal Studies estimates that the additional costs for central and local governments arising in 2022–23 to implement a 10.5% inflation matching pay award for NHS staff, relative to a 3% baseline, would be £6.4 billion. See: [Public spending, pay and pensions \(ifs.org.uk\)](https://www.ifs.org.uk/publications/1253) page 13
- 3. Ensure everyone has access to an NHS dentist by increasing spending by 50 per cent, restoring NHS dental care budgets at a cost of £1.5 billion.** The British Dental Association has called for the Government to provide enough budget to meet the government’s own plans. Their estimate is that this will cost £1.5 billion, which is simply a restoring of the existing budget. The Government’s plans are to challenge the areas worst affected by a lack of NHS dentists. This funding would be only the beginning of what is needed to move towards a better national model of dental provision.  
See <https://bda.org/news-centre/press-releases/Pages/NHS-dentistry-Costs-leave-quarter-of-patients-delaying-or-avoiding-treatment.aspx>
- 4. End the rise in homelessness caused by the cap on Local Housing Allowances at a cost of £700 million.** Local Housing Allowance determines how much of a household’s rent will be covered by Universal Credit or Housing Benefit. There has been no increase in this allowance

since 2020 despite the vast increase in rents over that period, which continues at above the rate of inflation and has left very few properties affordable. In June this year the IFS found that the number of affordable properties for people in receipt of benefits had dropped from 23% in 2020 to just 5%. More than 150 councils in England wrote to the government last month urging ministers to increase Local Housing Allowance rates to cover at least 30% of local market rates. See: [Rishi Sunak under pressure from ministers to raise housing benefit – BBC News](#)

5. **Increase Universal Credit by £40 per week at a cost of £9bn.** There were 6.2 million people on Universal Credit in October 2023, 58% of them women. This has been increasing since March 2022, when it was 5.5 million. Universal Credit not only benefits non-working groups but also those in low-paid work – 38% of claimants were in employment in September. Around nine in ten low-income households receiving UC are unable to afford essentials. The basic rate of UC is now at its lowest level in real terms in almost 40 years, with 66% of the public now thinking it is too low. Research from JRF and Trussell Trust shows that, in 2023/24, a single adult needs at least £120 per week to cover essentials, like food, utilities, vital household items and travel. But Universal Credit's standard allowance is currently only £85 per week for a single adult aged 25 or over – a shortfall of at least £35 per week. See: <https://www.jrf.org.uk/report/inadequate-universal-credit-and-barriers-work>
  
6. **Abolish the two-child benefit cap at a cost of £1.3 billion, and alleviate poverty for some of the most vulnerable children in the country.** This is a relatively small sum of money for the Government to spend that would lift 250,000 children out of poverty completely, and a further 850,000 would be in less deep poverty. This has been called for by Save the Children, Child Poverty Action Group and many campaigning and faith-based organisations. See: <https://www.theguardian.com/society/2023/jul/16/two-child-benefit-cap-explainer>
  
7. **Provide the necessary powers and funding to local authorities to take back control of rural bus services so they can increase routes and service frequencies, at a cost of £3bn.** Buses bring more than [a billion shopping trips](#) to high streets across the country – this enables £27 billion of retail spending per year across the UK. Social, economic and environmental benefits give revenue expenditure on bus services a return on investment of up to £3.80 for every £1 spent. In 2021 CPRE calculated that by spending £3bn – just a proportion of the government's planned £27 billion road-building programme – bus routes could serve every community of over 300 inhabitants in England with a bus service at least hourly, seven days a week.

See: <https://www.cpre.org.uk/news/our-report-shows-a-bus-every-village-every-hour-is-possible/>

8. **Change the rules on ISAs so that the £70 billion saved in them every year must be invested in green bonds as a condition of their tax-free status.** Green ISAs would have to be invested in either government-backed savings accounts or bonds or private sector equivalent accounts. ISA providers would be required to invest the proceeds of sums raised in the transition to net zero, social infrastructure, such as new housing or related activities such as education, training and appropriate support services. The option of simply leaving cash in moribund bank accounts or of speculating funds on stock markets, which is how the £700 billion or more now saved in ISA accounts is currently used, would disappear over time as existing ISA account arrangements expired and new ones took their place.
  
9. **Double grants to small businesses at cost of £3bn.** Analysis by the British Business Bank found that SMEs account for almost one third of all UK emissions and around half of total UK business emissions. The Government is currently providing very little financial support for small business in the transition to Net Zero. Despite Chris Skidmore's Net Zero Review highlighting the challenges faced by SMEs, small sums from the UK's Shared Prosperity Fund have been channelled via local authorities. We need a competitively fair transition to Net Zero that benefits rather than hinders SMEs.
  
10. **Rebalance the tax system to raise an extra £30 billion by:**
  - Reforming Capital Gains Tax so that those profiting from owning assets pay the same tax rates as those paying taxes on income from work
  
  - Extending National Insurance to cover investment income as well as employment income, and removing the Upper Earnings Limit so that those on higher incomes pay the same rate on all their income
  
  - Abolishing "non dom status" under which a small group of UK residents with a permanent home in another country can legally avoid UK taxes on their world-wide income and investment gains

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