[BCC comments on public sector finances for January 2017](#)

Commenting on the public sector finances for January 2017, published today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

"The slight improvement to the UK's fiscal position in January confirms that the government remains on track to meet the Office for Budget Responsibility's forecast for 2016/17. The public finances in January typically show a surplus, as it tends to be a strong month for tax receipts due to the timing of self-assessment tax returns.

"Stronger than expected growth over recent quarters has boosted UK tax revenue, which means that the Chancellor is likely to report lower short-term borrowing forecasts in next month's Budget.

"However, over the long-term, the task of restoring public finances remains significant. If UK growth becomes more sluggish, as we expect, the UK will find it increasingly challenging to generate the tax receipts needed to deliver real progress in cutting the deficit.

"The only sustainable way to boost tax receipts is for the government to create the conditions to support long-term business investment. Next month's Budget should tackle the increasing burden of up-front costs for businesses, including action on business rates. This will help firms to deliver the type of job creation and growth needed to achieve a real strengthening of the UK's tax base."

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

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