

BCC: Chancellor must act on mounting concern on business rates

Responding to new statistics on business rate concern, the BCC renews its call for action by the Chancellor at the Budget.

6th March 2016

As the British Chambers of Commerce (BCC) publishes statistics that show two-in-five businesses are more concerned about business rates than three months ago, the business group renews its call for action in the Spring Budget this week to ease the burden of rates and bring about fundamental reform to the system.

New interim statistics from the BCC's Quarterly Economic Survey, based on the responses of over 900 companies, show that 39% of businesses are more concerned about business rates than three months ago, second only to those reporting higher concern around exchange rates (42%) than three months ago.

The results show that it is small businesses who are most worried about the burden of business rates, with one-in-two (50%) saying it's of greater concern, the highest of any factor.

The business group is calling for the Chancellor to use his Spring Budget to support long-term investment and growth by taking action on this upfront costs which hits businesses unfairly, and irrespective of their economic health or circumstances.

BCC seeks four key measures on business rates from the Spring Budget:

- **Abandon the fiscal neutrality principle in business rates reform** – an unacceptable barrier to fundamental reform of the business rates system that is unique to that tax. This would allow the government to help those firms most affected by the revaluation.
- **Drop proposals that would restrict the ability of the Valuation Tribunal for England to order changes to business rates liabilities** – ensuring businesses access to justice and fairness.
- **Bring forward the switch from RPI to CPI, currently planned for April 2020, to April 2017** – limiting annual increases starting more swiftly.
- **Longer term, remove all plant and machinery from the valuation of property for business rates purposes.**

Dr Adam Marshall, Director General of the British Chambers of Commerce, said:

“Rising business concerns demonstrate the urgent need for action on business rates in the Budget this week. The UK had the highest business property taxes in the developed world even before the recent revaluation – hammering firms with sky-high costs before they turn over a single pound. This undermines business investment, which in 2016, fell for the first time in seven years.

“As the new bills kick in from April 1st, many will see this situation get worse with some facing double, even triple-digit growth in the amount they must pay. Businesses face a tipping point: with rates rising for many and the combined costs of currency depreciation, the new National Living Wage, Pensions auto-enrolment and rising energy prices – urgent action is needed to reduce the upfront costs of doing business.

“In the short-term, the Government must provide additional relief to the firms hit hardest by rates and re-visit the detail of reform to the appeals system. It should bring forward the change from RPI to CPI this year.

“In the longer-term, fundamental change is needed, including stripping plant and machinery from rates assessments that does so much to discourage business investment.”

Ends

Notes to editors:

The interim data from this survey are drawn from responses from over 900 business people across England. Firms were questioned online between 20th February and 3rd March 2017. Please note that the fieldwork for this survey is still ongoing. Small businesses are defined as those with between 10 and 49 employees.

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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[Chinese leaders review gov't work report with lawmakers](#)



Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), joins a panel discussion with deputies to the 12th NPC from Zhejiang Province at the annual session of the NPC in Beijing, capital of China, March 5, 2017. (Xinhua/Gao Jie)

Senior Chinese leaders on Sunday joined national legislators in deliberating the government work report, stressing the main theme of "seeking progress while maintaining stability."

The report was delivered by Premier Li Keqiang at the opening of the annual session of China's top legislature, the National People's Congress (NPC).

Zhang Dejiang, Yu Zhengsheng, Liu Yunshan and Wang Qishan, all members of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, joined national lawmakers in deliberating the report.

Zhang, also chairman of the NPC Standing Committee, joined lawmakers from east China's Zhejiang Province.

Zhang stressed concrete actions to implement the decisions and policies of the CPC Central Committee, promote the steady and healthy development of the economy and the harmony of the society to create a favorable environment for the 19th National Congress of the Party, slated for later this year.

Yu Zhengsheng, also chairman of the Chinese People's Political Consultative Conference National Committee, joined a delegation of lawmakers from central China's Hubei Province during another panel discussion.

Yu urged Hubei Province to apply the new concepts of development and advance supply-side structural reform.

He called for further efforts to conserve energy and protect the environment to provide the people with clean water, fresh air, safe food and beautiful environment.

Liu Yunshan joined NPC deputies from Inner Mongolia Autonomous Region in their panel discussion.

Liu called for proper understanding of the relations between maintaining stability and seeking progress, stressing efforts to guide social expectations and dissolve risks, while making breakthroughs in reforms. Major tasks in supply-side structural reform should be accomplished to improve growth quality and efficiency, he added.

Wang Qishan, also secretary of the CPC Central Commission for Discipline Inspection, joined NPC deputies from Beijing.

Wang stressed the need to explore effective CPC self-supervision for long-term governance, deepen reform of the national supervisory system and establish an anti-graft mechanism under the unified leadership of the Party.

The CPC should enhance supervision over itself and state organs to realize full-coverage oversight of all public servants, he added.

Press release: PM call with Taoiseach Enda Kenny: 5 March 2017

This afternoon Prime Minister Theresa May spoke to Taoiseach Enda Kenny following the recent elections in Northern Ireland.

They discussed their shared commitment to work with the parties to move forward and create a stable administration which ensures a strong, peaceful and prosperous Northern Ireland.

To that end, Secretary of State for Northern Ireland James Brokenshire and Irish Foreign Minister Charlie Flanagan will meet the parties on Wednesday and the Prime Minister and Taoiseach agreed to discuss the issue again at the EU Council on Thursday.

Government must put £2bn into the

budget for social care – Barbara Keeley MP

Barbara

Keeley MP,

Labour's Shadow Minister for Social Care and Mental Health, commenting on reports of funding for social care in the forthcoming budget, said:

"Reports of any additional money for social care are of course welcome, but the reality is that it is the Tories who have spent the last 7 years cutting billions from council budgets. This has meant the loss of £5 billion for adult social care.

"Labour is calling on the government to put £2 billion into the budget for social care. There is also an urgent need for a longer-term funding plan to get social care out of the current crisis and on to a more stable footing"

ENDS

Press release: Secretary of State for Northern Ireland statement

Secretary of State for Northern Ireland, Rt Hon James Brokenshire MP said:

Now that Assembly members have been elected, there is a limited window in which the Assembly and Executive can be restored. Urgent discussions need to take place to ensure inclusive devolved government resumes. These discussions will need to focus on:

- the establishment of a partnership Executive and
- addressing other outstanding issues, including the implementation of past agreements and addressing the legacy of the past.

The responsibility for forming a new Executive rests with the two parties eligible to nominate a First Minister and deputy First Minister, both to engage with each other and to advance discussions

with all eligible parties. A new Executive will need to agree a Programme for Government, a budget for 2017-18 and any changes to how the Executive will work. The UK Government will engage with the parties to secure progress.

On the wider point of addressing outstanding issues, all parties eligible to nominate NI Executive Ministers will need to be involved. The UK Government and the Irish Government will also have roles to play in accordance with the three-stranded approach. Discussions will focus on securing implementation on the basis of existing commitments rather than the renegotiation of prior agreements. In particular, there is an urgent need to resolve the implementation of the commitments concerning the legacy of the past in the Stormont House Agreement.

Starting immediately, the UK and Irish Governments will work closely with the parties to secure progress on these issues. These discussions will be confidential.

Parts of this work are important. Political institutions operating on a basis of partnership, equality and mutual respect are at the heart of the Belfast Agreement.