Tax cut worth up to £330 comes in for 30 million workers

- 30 million people across the UK will benefit from the biggest personal tax in a decade from today
- \bullet Hard working Brits will save up to £330 per year 2.2 million lifted out of personal tax altogether
- 70% of UK workers now paying less National Insurance, even after accounting for the Health and Social Care Levy

The £6 billion tax cut will see the level at which people start paying National Insurance rise to £12,570 — lifting 2.2 million people out of paying any personal tax and ensuring people get to keep more of the money they earn.

The threshold change means that 70% of UK workers will pay less National Insurance, even after accounting for the Health and Social Care Levy that is funding the biggest catch up programme in NHS history and putting an end to spiralling social care costs.

From today the level at which people start paying National Insurance has risen from £9,880 to £12,570.

This change means that millions of people working across hundreds of different industries across the UK will now be better off.

This includes bricklayers who'll save £218, care workers who'll save £324, hairdressers who will get a £118 benefit and nursery assistants who'll get a £343 yearly boost.

Workers can check their salary in the government's <u>online tool</u> to estimate the amount they could save between July 2022 to July 2023.

The last major personal tax cut of today's magnitude was nearly ten years ago, when the income tax personal allowance increased by £1,100 in 2013. Today's threshold change is more than double that, as working people are now able to hold on to an extra £2,690 free from tax.

Today's change to National Insurance thresholds comes as part of the Chancellor's wider vision for a lower tax economy. At the Spring Statement Mr Sunak announced a 1p income tax cut in 2024 — which will be the first cut to the basic rate in 16 years and will save the average taxpayer a further £175 a year. The Chancellor also committed to cutting and reforming business taxes later this year in the autumn, to help spur business growth and productivity. The government is currently working with industry on how best to do that.

The increase to the National Insurance thresholds will leave around 76% of National Insurance payers in the North East better, 75% in the North West and Merseyside, and 62% in London.

Today's landmark personal tax cut also comes as the government launched new

Help for Households campaign designed to raise awareness and signpost people to the £37 billion in support on offer and targeted at those most in need. The support provides millions of the most vulnerable households at least £1,200 of support in total this year to help with the cost of living, with all domestic electricity customers receiving at least £400 to help with their bills.

It also includes a 5p fuel duty cut — the biggest cut ever to fuel duty rates, a rise in the national living wage to give full time workers an extra £1,000 and a cut to the Universal Credit taper rate to provide over 1 million families an extra £1,000.

The NICs threshold change takes effect following the government making tough but responsible decisions to manage the public finances responsibly and choosing not to saddle future generations with almost £400 billion of debt used to protect jobs and the economy during the pandemic — worth around £5,500 for every person in the UK.

Further information

- Visit the government's <u>cost of living support website</u>
- Personal Tax factsheet
- Spring Statement <u>Tax Plan</u>
- With those with the broadest shoulders bearing the biggest burden, the government is taking decisive action through the Health and Social Care Levy to tackle the NHS backlog and fix the social care crisis something governments have ducked for decades.
- Over the last decade the government increased the personal allowance people have before they pay any income tax from £6,475 in 2010 to £12,570 today. This has lifted millions of the poorest out of paying any income tax at all, and meant a real terms tax cut of £750 for 27 million people.

Example occupations paying less National Insurance, even after accounting for the Health and Social Care Levy, below (list from <u>ONS</u> and checked through the government's <u>online tool</u>

Occupation	Median salary (£)	Calculator result
Hospital porter	19860	£292 less
Shelf stacker	12351	£333 less
Security guard	24814	£246 less
Fork-life truck drivers	25072	£243 less
Van drivers	20250	£289 less
Lorry drivers	30620	£191 less
Construction workers	26619	£229 less
Sewing machinists	16651	£322 less
Tyre fitters	22513	£267 less
Metal workers	22842	£264 less
Retail cashiers and sales assistants	10555 / 12071	f112 less / f298 less

10608	£118 less
16502	£324 less
14462	£343 less
17906	£311 less
22561	£267 less
18987	£300 less
19933	£292 less
23224	£261 less
25030	£244 less
27756	£218 less
31602	£182 less
27520	£220 less
14317	£344 less
23136	£262 less
	16502 14462 17906 22561 18987 19933 23224 25030 27756 31602 27520 14317

When looking at the combined impact of the Levy and the Health and Social Care Levy, from July, a breakdown is below showing the percentage of National Insurance better off in regions across the UK.

Percentage of NICs payers Region

76%	North East
75%	North West and Merseyside
76%	Yorkshire and the Humber
74%	East Midlands
74%	West Midlands
67%	East of England
62%	London
65%	South East
73%	South West
77%	Northern Ireland
70%	Scotland
75%	Wales

<u>Secretary of State for Northern</u> <u>Ireland boosts integrated education in</u> <u>NI with £1.9m funding package</u>

- Northern Ireland Secretary announces new funding package to support greater integration in education in Northern Ireland.
- Funds to raise awareness of and support the transformation process for

schools.

• Builds on Northern Ireland Office's work to support reconciliation and build a shared and integrated society.

Secretary of State, Rt Hon Brandon Lewis MP has made the £1.9m funding announcement during a visit to Lough View Integrated Primary School.

The funding will help support schools through the transformation process as they work towards integrated status.

The £1.9m will go to the Integrated Education Fund (IEF) and the Northern Ireland Council for Integrated Education (NICIE), which work to enable a greater number of children from different community backgrounds to be educated together. NICIE offers advice and support to parents and schools in the ballot process which sees parents vote on where to transform to an integrated school. The IEF raises awareness of the transformation process and the merits of integrated education.

The Secretary of State today (Wednesday 6 July) visited Lough View Integrated Primary, where he met its Principal, Sean Spillane and discussed the school's work to provide a high quality education to children in an integrated setting.

At the school, he discussed how, as highlighted by the Belfast (Good Friday) Agreement, greater integration in education is an essential aspect of the reconciliation process and the promotion of a culture of tolerance at every level of society.

Research clearly demonstrates the positive social attitudes instilled by increased integration in education. Schools of all types have been successful in delivering greater integration and instilling the values of acceptance and cooperation that they carry with them into later life, helping to create a more inclusive society.

The Secretary of State, Rt Hon Brandon Lewis MP, said:

Seeing greater integration of education across Northern Ireland is an absolute priority for me.

When a school becomes integrated, children learn, grow and build communities together. Parents get to know each other, and long term friendships develop. This is an essential aspect of the reconciliation process.

My hope is that integration will soon become the norm and not the exception in schools across Northern Ireland. The work done by the IEF and NICIE is essential in helping Northern Ireland's children to grow up in a truly shared society.

Tina Merron, Chief Executive of the Integrated Education Fund said:

The Integrated Education Fund is delighted with today's announcement by the Secretary of State. Integrated Education is a core commitment of the Good Friday Agreement and we remember that the British Government is a co-guarantor of that Agreement.

This is an enormous boost to our charitable organisation as we seek to empower and support parents, schools and local communities who want to see more Integrated schooling.

In the past few years 14 schools across Northern Ireland have held a democratic ballot of their parents in favour of Integrated status and the IEF and Northern Ireland Council for Integrated Education are now working to support more schools than ever before.

Roisin Marshall, the Chief Executive Officer of the Northern Ireland Council for Integrated Education said:

The Council for Integrated Education empowers school communities to deliberately and intentionally attract children, young people and the adults, who identify as coming from both sides of our divided society as well as those from other religions and cultural backgrounds.

This funding will enable NICIE to offer more dedicated support to those school communities who wish to explore, develop and embed their Integrated ethos. We are very grateful for this additional support to help to meet the increase in parental demand for Integrated Education.

ENDS

Notes to editors

• The Integrated Education Fund (IEF) will receive £1,465,000 and the Northern Ireland Council for Integrated Education (NICIE) will receive £435,000 over the next 2.5 Financial Years (2022 - 2025).

Business Secretary selects Professor

Dame Jessica Corner as new Executive Chair of Research England

Business Secretary Kwasi Kwarteng has selected Professor Dame Jessica Corner as the preferred candidate for the role of Executive Chair of Research England.

As Executive Chair of Research England, Professor Corner will take up responsibility for quality related research funding to English universities, largely informed by the results of the Research Excellence Framework exercise, as well as funding for knowledge exchange activities. She will also lead Research England's role in ensuring the health and stability of English universities in their research and innovation activities.

Professor Corner will also be part of the UKRI senior leadership team working closely with UKRI's Chief Executive, UKRI Board and the other Executive Chairs to collectively oversee UKRI's strategy, funding programmes and infrastructure.

Professor Corner has an accomplished background as both a trained nurse and academic specialising in cancer palliative care and more recently as a senior university leader in the role of Pro-Vice Chancellor for Research and Knowledge Exchange at the University of Nottingham.

Professor Corner was awarded a DBE in 2014 for services to Health Care Research and Education and was elected as a Fellow of the Academy of Medical Sciences in 2015.

Business Secretary Kwasi Kwarteng said:

I am delighted to name Professor Dame Jessica Corner as preferred candidate to steward Research England through the years to come. I look forward to working closely with her and the UKRI leadership team to ensure the continued success of the world leading research carried out by our universities, building on the UK's reputation as a science superpower.

I would also like to thank Dr David Sweeney for his tireless work for the research sector as inaugural Executive Chair of Research England and previously at HEFCE. I wish him the very best for his retirement.

Professor Jessica Corner said:

I am delighted to be chosen as the preferred candidate for the role of Executive Chair of Research England at this time of huge opportunity for the country's truly outstanding research base. I

know I will be building on the immense contribution made by David Sweeney to UKRI, Research England and our research ecosystem over his extensive career. I look forward to supporting our national community of researchers as they continue to explore, discover, and innovate to transform lives across the globe.

UKRI aims to create an outstanding research and innovation system that gives everyone the opportunity to contribute and benefit. It is the UK's primary public funding body for research and innovation, with a budget of £25.1 billion over the spending review period of 2022-2023 to 2024-2025.

Professor Corner is due to succeed the current Executive Chair of Research England, Dr David Sweeney, who is due to retire. Professor Corner is expected to start in October.

The post of Executive Chair of Research England is subject to a preappointment hearing by the House of Commons Science and Technology Select Committee. The Committee have decided to hold a hearing which will take place on 20 July 2022. Further details will be available on the Select Committee website.

Expert contributions to our work

News story

More than 1,200 experts have contributed since 2019



The purpose of our team is to get expert insight into policy. We've been reviewing our projects recently and wanted to share some of the highlights.

Since January 2019:

- More than 1,200 academics and other experts have contributed to our policy work
- We've delivered more than 70 policy projects for customers across

government

- Expert contributors have come from more than 600 organisations
- 13% of expert contributions have been made by academics from our partner universities Brunel, Essex, Lancaster and York with the remaining 87% coming from other organisations in the UK and overseas
- Academics from UCL (5.1%), Lancaster (4.6%), Oxford (4.2%) and Cambridge (3.8%) account for the greatest number of contributions
- Of non-UK institutions contributing to our work, Harvard is the most frequent

Breakdown of expert contributions by organisation, 2019-22

Thanks again to all the experts who've contributed to our work over the past few years. The great feedback we receive from colleagues and the growing number of customers we have across government show how valuable your input is.

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A UK-Africa trading partnership for the 21st century

Good morning everyone

I'm delighted to join you at the Africa debate.

You would have seen the recent, interview with the Ugandan entrepreneur Ham Serunjogi. He's the co-founder of Chipper Cash, an app that's allowing people across Africa to make and receive payments and invest their savings.

Today Chipper Cash has millions of users, across numerous countries. Last year its revenues stood at \$75 million.

However, when Ham first pitched his idea to a venture capital firm — he was quizzed about why he wasn't instead seeking donations or development funding.

I think this anecdote illustrates how still, too often, the image of African countries in people's minds is inaccurate, outdated and becoming more obsolete by the day.

Of course, this vast, diverse and dynamic Continent can never be defined in a few words:

Increasingly its story is one of modern cities — places like Lagos, Luanda

and Kigali — where new tower blocks are springing up over the skyline and with young, energetic and educated citizens.

It's a story of a booming fintech industry. Major firms like Nigeria's Paystack, South Africa's Yoco, not to mention Chipper Cash, are connecting millions of consumers and entrepreneurs to the global financial system.

This is also a story of a continent that is a green energy pioneer.

Countries are turning to renewables to power their future growth instead of polluting fossil fuels and setting ambitious climate targets.

Of course, for too many people, in too many places, this latest chapter in Africa's story is yet to unfold.

Poverty, inequality, disparities in access to healthcare and education do still loom large. Bureaucracy and outdated systems can still stand in the way of economic growth.

Nonetheless, it's clear that the world needs to wake up to Africa's new and compelling narrative.

That is why, the UK is responding to the Continent's growth story with a bold trade strategy:

A strategy that is about building a sustainable, enduring and productive partnership.

A partnership in which we use trade's power to make dependable friends to strengthen the rules-based order.

This partnership is about truly understanding Africa's needs and exploring how our businesses can support them through projects that create jobs, support inclusion and sustainability and bring lasting value.

In turn this will build the Continent's economic strength, so that countries can command a fair price for their vast resources and their people's skills, that reflects their true worth.

Equally, our partnership is about opening up new opportunities for UK businesses to trade with one of the most dynamic parts of the world.

There can be no doubt that Africa is the future.

The IMF forecast that over the next five years, half of the world's ten fastest growing economies will be on the Continent.

By the end of this decade Africa's working age population will have grown by 30pc on 2020 levels. By contrast, Europe's will have contracted.

By 2085 Africa is forecast to be home to a third of the world's people.

So in short this is going to be an astonishing growth story and the opportunity is there for all to see.

If the UK is to future-proof its place as the most forward thinking and dynamic independent trading nation on earth, we must play our part.

So, what does that trading relationship and partnership look like in practice?

First, it's about investment. It's about the UK helping to power African countries' growth, both today and tomorrow, through its expertise and ideas.

As the Prime Minister has said, we aspire to be Africa's investor of choice.

And, I'm pleased to say that according to UNCTAD, our investment in the Continent is valued at £49 billion, that's more than any other nation.

This investment has continued to flow despite Covid19's impact and the shockwaves caused by Vladimir Putin's illegal invasion of Ukraine.

UK Export Finance has also committed more to the Continent than anywhere else in the world, supporting projects from the Cairo monorail to hospitals across Cote d'Ivoire.

The possibilities for partnership are endless — too many for me to cover in this speech.

So if I may, I'll focus today on one particular area, renewables:

In this, the year in which Egypt will be hosting COP27 — the question of how the Continent will power its astonishing growth and provide access to energy for all its people — has come under sharp focus.

Whether its wind power projects in Senegal, geothermal energy in Ethiopia, hydropower in Mozambique…as I mentioned earlier, increasing numbers of African countries believe that renewables could be part of the solution.

And UK firms, with their expertise in everything from smart grids to solar energy, are already leading the way in supporting transition.

We're not only the largest renewables investor in South Africa, we're involved in projects, big and small, covering every aspect of green technology.

Indeed, renewables projects have formed the greater part of DIT's investment support in Africa over the last year.

Wind turbines besides the Gulf of Suez are helping to power Egypt, as a result of a major investment from British investor, Actis.

In Mozambique, UK company Globeleq, has invested £20 million in solar energy and will soon develop a wind energy plant too.

While in Nigeria, Konexa, a British start-up, is pioneering a model of national grid optimization that could apply across the Continent. This will give people the confidence that when they click a switch, they'll have the power they need.

In addition, there are scores of new, innovative companies with expertise in everything from hydrogen to energy efficiency, looking at Africa investment opportunities.

Hive Energy — based in Hampshire — is one example.

It's part of a multi-billion investment in hydrogen and green ammonia production in South Africa. Technology by Sheffield based ITM Power is at the project's core.

There are huge opportunity for us to achieve even more together.

To make this happen we need to bring together people, finance and ideas.

In January this year, our second Africa Investment Conference did exactly that. It focused on how the UK can further support the Continent's transition towards cleaner growth.

We'll be building on this at the second UK-Africa Investment Summit next year.

More broadly, our DIT-led Africa Investors' Group, made up of UK investors small and large, is helping to identify ways in which our firms can support growth across the Continent.

For my part, I hope to visit again soon in the near future, to see this productive investment partnership in action.

Last year I had the privilege of seeing some amazing solar panels projects of investment in Malawi and Egypt, so I'm looking forward to going back as soon as I can.

The second element of the UK-Africa trading partnership is the need to ensure the free trade of goods and services.

Back to those extraordinary demographics: African nations rising populations are going to result in surging demand.

In fact, according to our analysis, Africa's import markets are forecast to undergo exponential growth — expanding more than five-fold from nearly \$700 billion in 2019, to \$3.9 trillion by 2050.

Again, this translates into extraordinary opportunities. We want to be able to position our businesses to seize those.

Clearly, to achieve this and to reduce costs for consumers and businesses in African countries, we need to remove trade barriers.

That's why when the UK left the EU, we have signed no fewer than nine trade agreements with 18 African nations.

These deals also offer us an opportunity to build our understanding of countries' ambitions and how we can respond to those needs.

However, Africa of course will truly come into its own economically when it trades more with itself. In 2019, trade between African nations, made up just 15% of trade on the Continent.

So, if the UK can be the partner helping Africa on this new course, we too, can grow with the Continent.

That is why we are enormous supporters of the African Continental Free Trade Area.

We see it as a game-changer and possibly the most exciting trade initiative globally.

The Free Trade Area will connect 1.3 billion people and economies with a combined GDP of \$3.4 trillion, through a single set of trading rules. This could boost intra African trade by over 50% and lift 100 million people out of poverty.

Last year, the UK became the first non-African country to sign an agreement with the Free Trade Area Secretariat...pledging to work with it on a range of areas including investment and trade facilitation.

In March I was delighted to invite Secretary General Wamkele Mene to the Department, to our department where we announced a UK programme to support negotiations and the Free Trade Area implementation. I'll really like to take this opportunity to commend him for the way he is stewarding this incredibly important initiative.

Another key plan of the UK-African partnership is the fact that it exemplifies how trade as a force for good in the world.

Often when we talk about trade we understandably focus on the numbers, the exports, the imports, the investment. Yet we forget at our peril about the people behind those statistics — the jobs created, the businesses built, the lives changed.

But our human capital will always be our greatest asset.

So major UK firms investing in African countries, demonstrate that understand already.

The drinks manufacturer, Diageo, employs around 4,000 people across Africa.

It's also having a powerful positive impact on communities through its policy of using local suppliers, and helping its employees to gain new skills, which in turn benefits local economies.

Across the Continent, there are countless other, smaller yet no less significant examples — demonstrating how the UK's trading relationship with African countries is improving people's lives.

Take the farmers in Zimbabwe's Chimanimani Mountains who are rebuilding their communities after a devastating earthquake by selling their chilli crops to

UK markets...

Or the hundreds of jobs generated by Bridgend-based manufacturer Nodor Group, in its factory outside Nairobi.

Those if you who are old enough will remember the TV show Bullseye and you might be interested to know, the factory makes dart boards for the biggest tournaments worldwide.

It goes without saying that increased UK-Africa trade also has the potential to be a real force for good for the UK. Access to new markets helps build strong businesses. Strong businesses generate prosperity for the whole country here to.

Equally, by establishing even closer trading links with African countries — we will open our economy to some of the most forward looking and entrepreneurial countries on earth.

This will build on the huge economic and cultural contribution of UK African communities to the UK.

So, the UK-Africa trade partnership offers us huge opportunities.

But there are still some countries on the outside looking in — effectively barred from all these benefits.

These nations might have natural resources and talent in abundance but their path to prosperity is blocked by poverty, conflict, exploitative models and vested interests.

That's why we're going to introduce two initiatives which we hope will help:

First, we've confirmed plans to launch our ambitious Developing Countries Trading Scheme.

It introduces more generous, less bureaucratic trading rules, that reduce tariffs, simplify rules of origin and the requirements to access better tariff rates.

For UK businesses, the scheme strips away red-tape and cuts costs, through over £700 million worth of tariff reductions — incentivising firms to import goods from developing countries.

Secondly, to mark Her Majesty's 70 years as Head of the Commonwealth, in her Platinum Jubilee year, the Prime Minister announced a new initiative at the Commonwealth Heads of Government Meeting last month, called Platinum Partnerships, which will build closer trading ties between the UK and commonwealth countries.

While DCTS and Platinum Partnerships are focused on a country level — we also want to support individuals.

Those of you have heard before, my passion for female entrepreneurs, who I

genuinely believe provides the economic backbone of many African countries, there creativity and development are sometimes constrained by factors like a lack of finance.

We know that equality opens the door to opportunity.

So, the UK is going to be joining forces ahead of the next UK-Africa Investment Summit with partner African organisations and institutions, to explore how we can find some solutions for this ongoing lack of finance for female entrepreneurs.

Ladies and gentlemen,

In October we will mark 75 years since the General Agreement on Tariffs (GAT) and Trade was signed in Geneva.

That agreement formed the foundation of the modern trading system that has done so much to increase prosperity around the world.

Today, I believe we are at another inflection point in the story of global trade — as the world's axis of economic growth pivots towards the economies of tomorrow… like those in Africa.

So Before us there is a new opportunity — for the UK and Africa to build an extraordinary new trading partnership for the 21st century.

A partnership, in which we use trade's power to build deeper, lasting and creative connections between our peoples and businesses.

If we take full advantage of this opportunity, I have every confidence that we will together, not only increase prosperity and create new growth. We will make a real difference to millions of people's lives, today and for generations to come. Thank you.