

Labour announce five point plan for business rates ahead of emergency roundtable with business organisations

Labour have responded to fears about the impact of looming business rate hikes for some businesses by calling on the Government to set up an emergency transitional relief fund and take a series of measures to ease the business rate burden for business. They are also holding an urgent meeting with leading business organisations to discuss a radical shakeup of business rates in the longer term.

Business rates revaluation due to come into effect on 1 April have caused uproar as it has emerged that The average small shop will be hit by an extra £3,663 in rates over the next 5 years, while many large online retailers will see their rates cut. The Big 4 superstores – Tesco, Asda, Sainsburys and Morrisons – will see a 5.9% reduction in Rateable Value, while online retailer, ASOS, will see their rates bill fall from £1.17million to £1.14million, despite reporting UK retail sales growth of 18%.

The changes have led to calls from businesses to reform the business rates system so that it better reflects changing shopping patterns.

Labour's five point plan to help business survive the revaluation and develop a system of business taxation suitable for the 21st Century:

1. Set up an emergency transitional relief fund for businesses facing "cliff edge" increases in their rates, and revise the appeals process to ensure businesses get a swift and fair hearing
2. Bring forward CPI indexation so that businesses aren't paying more because of how inflation is measured
3. Exclude new investment in plant and machinery from future business rates valuation
4. Introduce more regular valuations in law to stop businesses facing periodic, unmanageable hikes
5. Fundamental reform of the business rates system to ease the burden on traditional high streets and town centres in the age of online shopping; support the traditional fabric of our communities, including community pubs and incentivising free cash machines; and create a fairer system of business taxation.

Shadow Business Secretary, Rebecca Long-Bailey, Shadow Chancellor, John McDonnell, and Shadow Secretary of State for Communities and Local Government, Theresa Pearce, will hold an emergency roundtable on Monday with leading business organisations, including the Federation of Small Business, the British Retail Consortium, and the British Chamber of Commerce.

Shadow Business Secretary, Rebecca Long-Bailey, said:

“From delaying the revaluation to their failure to put adequate transitional arrangements in place, the Government have mishandled this whole process, and should provide immediate emergency relief to stop thousands of businesses going under.

“But the reality is that business rates are a ticking time bomb. It cannot be right for smaller, town centre retailers to be facing massive hikes while the Amazons and ASOS’s of this world have their business rates cut. Given our long-standing productivity problem, it is madness that we tax businesses’ plant and machinery.

“That’s why Labour are working closely with business to radically reform our business taxation system so it is fit for the 21st Century”

Mike Cherry, National Chairman at the Federation of Small Businesses, said: “Business rates are an outdated tax. FSB is keen for all political parties to help those small firms hardest hit by the current revaluation, and to start to focus on fundamental longer-term reform of business rates to make sure it’s fair for small firms. It is incredibly important to support small businesses and the self-employed so they don’t face shock tax rises, so we are delighted to take part in the roundtable.”

Andrew Silvester, Head of Campaigns & Deputy Director of Policy at the Institute of Directors said:

“It’s hugely important that politicians on all sides look for constructive ways to reform business rates. This is a 20th century system and in a 21st century economy it looks painfully out of date.”

Christopher Richards, Senior Business Environment Policy Adviser at the Engineering Employers Federation, said:

“Establishing the principle that plant and machinery has no place in the business rates system is an important first step for all political actors to take, this is the top priority action for industry. The inclusion of plant and machinery in business rates bills represents a tax on productive investment and undermines the international competitiveness of UK manufacturing. Excluding future investments from being taxed is therefore a significant step in the right direction, is consistent with the government’s industrial strategy aims and if enacted would give some confidence to manufacturers about the likely post-Brexit investment environment in the UK.”

Hammond can’t hide from disability cuts in the Budget

The Shadow Chancellor has today called on Philip Hammond not to go ahead with the £3.7bn worth of cuts to Personal Independence Payments (PIP) which will

hit 160,000 disabled people.

The announcement, which was sneaked out last week, will mean 160,000 disabled people could see a loss in their income as a direct effect of the changes made by the government to how PIP is awarded.

John McDonnell MP, Labour's Shadow Chancellor, said:

"Theresa May has used the cover of the by-elections to sneak out this announcement hurting so many vulnerable disabled people.

"This is a return to the worst politics of spin that so tarnished our politics for so long. It is an act of immense bad faith. She is degrading politics and demeaning the role of Prime Minister.

"Next week the Tories will make out that the economy and the public finances are doing better, however, they are planning to go ahead with a £3.7 billion cut to the disabled.

"This time last year when the economy and public finances were not doing as well, and the then Chancellor George Osborne tried to cut PIP, Labour stopped him. And in his u-turn he claimed that he could "absorb" the cost of reversing this cut.

"Hammond can't hide from these PIP cuts in his Budget. He needs to explain why he can't absorb them like his predecessor while he is still going ahead with tax giveaways to the very wealthiest in our country."

If Labour stands together we can turn back the Tory tide – Jeremy Corbyn

Jeremy Corbyn MP, Leader of the Labour Party, writing in the Sunday Mirror, said:

Theresa May talks about delivering an economy that works for working people. But in practice, she's doing the opposite.

In next month's Budget, the Tories are set to press on with their endless austerity: still deeper cuts to health and social care, education and local services.

They're now trying to take away more money from people with disabilities – while they're handing out multi-billion pound tax breaks to the wealthiest. It's the nasty party all over again.

Labour is campaigning for an investment-led economy that restores pride to every community. And we are determined to end to a tax system rigged for the richest. We think everyone should pay their fair share.

On Thursday, the people of Stoke rejected Ukip's politics of hate and division – and its sham claim to represent the working class. They voted instead for the NHS, decent jobs and homes, investment and fairness.

But the result in Copeland was deeply disappointing. Labour's share of the vote in Copeland has been falling for 20 years and of course I take my share of responsibility.

Both these areas, like many others in Britain, have been left behind by globalisation and lost out from a rigged economy.

So it's no surprise that they rejected the status quo by voting to leave in the EU referendum. That's why it was important for Labour to respect the result and vote for Article 50.

The task now is to fight for a positive future for Britain after Brexit – not the kind of bargain basement tax haven the Tories want to engineer.

And we must take our message of economic renewal and fairness to every part of Britain – and show that Labour has changed under my leadership.

The Conservatives have neglected working people by cutting investment and letting wages stagnate or fall year after year. Six million people now earn less than the living wage.

Labour will be campaigning for investment in decent jobs and homes, education for all, support for the NHS and social care, and fair taxation.

Last year Labour forced the Government to U-turn on £4bn cuts to personal independence payments for people with disabilities. If we stand together we can stop the latest attack too.

We haven't done enough yet to rebuild trust with people who have been ripped off and sold out for decades and don't feel Labour represents them.

But if we stand together, I am confident we can do that and turn back the Tory tide.

I was re-elected Labour leader five months ago with a bigger majority and I am determined to finish that job: to reconnect Labour with our working class voters and values – so we can win power to rebuild and transform Britain, for the many, not just the few.

[Jonathan Reynolds comment on RBS results](#)

Jonathan

Reynolds MP, Labour's Shadow City Minister, commenting on RBS's reported £7bn annual loss today, said:

"Today's results show RBS still has much to do to overcome the legacy of the financial crisis.

"Whilst the core banking business of RBS is improving, the financial burden caused by the errors of the past has generated a significant loss.

"British taxpayers have had to stump up huge support for RBS – they need to know that there has been a significant change in the regulation and culture of banking to prevent this happening again.

"The scale of the taxpayers' support also means there needs to be a conversation about what the long-term future of RBS should look like, to best protect the public's money."

[To win power to rebuild and transform Britain, Labour will go further to](#)

reconnect with voters, and break with the failed political consensus – Corbyn

Jeremy Corbyn MP, Leader of the Labour Party,
commenting on the Stoke-on-Trent Central and Copeland by-elections, said:

“Labour’s victory in Stoke is a decisive rejection of UKIP’s politics of division and dishonesty. But our message was not enough to win through in Copeland.

“In both campaigns, Labour listened to thousands of voters on the doorstep. Both constituencies, like so many in Britain, have been let down by the political establishment.

“To win power to rebuild and transform Britain, Labour will go further to reconnect with voters, and break with the failed political consensus.”