

2009 Pre-Budget Report

Pre-Budget Report 2009 for Yorkshire and the Humber

The Government's objective is to build a strong economy and a fair society, where there is opportunity and security for all. Therefore, today, the Chancellor announces a package of measures that will continue to support businesses, families and the environment. These measures include:

Business

RDAs brokered European Investment Bank (EIB) support, along with European Regional Development funds, for regional lending schemes (JEREMIE) in the North East, North West, and Yorkshire and Humber worth a total of £380m from January 2010. This will mean that an additional £90m will be available to support access to finance for SMEs in Yorkshire and Humber

The report includes details of agreements with the 2 city-region pilots, Leeds and Manchester. The Leeds agreement was formally launched at the Leeds city-region summit on 27 November. For Leeds, this includes greater control over housing and regeneration funding, a timetable for new powers on adult skills and work with Government to deliver low carbon housing developments and integrate transport funding.

The Enterprise Finance Guarantee has provided targeted support for viable businesses with less than £25 million turnover who have no or insufficient security. The Pre-Budget Report announces that the scheme will be continued for a further 12 months, making an additional £500 million of bank lending available to SMEs. So far in the Yorkshire and Humber region, over £51.2m of eligible applications from 483 firms that have been granted or are being processed and assessed.

Extension of the temporary increase in the threshold for empty property relief (EPR) for a further year. For 2010/11, the threshold at which an empty property becomes liable for business rates will be £18,000. Relief applicable to owners of empty properties with rateable values up to £18,000, estimated to exempt 77% of empty properties in the Yorkshire and Humber region.

Families

Bringing the Young Person's Guarantee forward to 6 months will provide, from April, guaranteed access to a job, work experience or training to all 18-24s who have been claiming JSA for 6 months, with mandatory access from 10 months. In October, there were 9,515 young people aged 18-24 who had claimed JSA for over 6 months in Yorkshire and Humber.

A full basic State Pension (bSP) will increase by £2.40 to £97.65 per week (full couples rate rises by £3.85 to £156.15), in line with the Government's commitment to uprate bSP by at least 2.5% even though the retail price index is negative. This will benefit an estimated 1 million people in Yorkshire & Humber region.



2009 Pre-Budget Report

To support low-income families, and improve incentives to work, the Government will extend eligibility to Free School Meals to primary school pupils in working families with a household income below £16,190. From September 2011, the Government's aim is that all primary school pupils in low-income working families will be entitled to receive Free School Meals, benefiting around 500,000 children. In addition, the Government will extend the current pilots of universal Free School Meals, so that there is a pilot in each English region.

Public services

To protect frontline services PBR announces a package to ensure that;

- 1) NHS near-cash frontline spending - the 95 per cent or so of spending that supports patient care - will rise in line with inflation in 2010-11 and 2012-13;
- 2) in 2011-12 and 2012-13 spending on frontline schools rises in real terms by 0.7 per cent a year and spending on 16 to 19 participation rises in real terms by 0.9 per cent a year. Spending on Sure Start Children's Centres will be maintained in line with inflation; and
- 3) sufficient funding will be provided to police authorities to allow them to maintain the number of police officers and community support officers.

Today's PBR extends the Government's willingness to work with local authorities and agencies to reduce burdens and ringfences signalled in Smarter Government by considering the means of supporting local investment in sustainable growth.

Tackling climate change

Additional funding for the Warm Front scheme in England, and funding reprioritised within the scheme will be used to provide heating and insulation for low-income households. 8,500 homes in Yorkshire and the Humber could benefit from this additional funding.

Rosie Winterton, Regional Minister for Yorkshire and the Humber, said:

"Today's announcements will provide assurance of the government's support for those affected by the recession. Measures in the Pre Budget report will provide a strong platform for future growth and ensure that public finances are on a sustainable path".

Liam Byrne, Chief Secretary to the Treasury, said:

"This Pre-Budget Report will help lock in Britain's recovery, protecting families and businesses in Yorkshire and the Humber through the downturn and also accelerate growth.

By taking tough action on tax and spending, we'll halve the deficit in four years, and along with future growth will help us to protect and drive up standards in schools, hospitals and local policing right across Yorkshire and the Humber."



2009 Pre-Budget Report

NOTES TO EDITORS

HM TREASURY PRESS OFFICE

Press enquiries: 020 7270 5238

Non-Media enquiries: 020 7270 4558

HM REVENUE & CUSTOMS PRESS OFFICE

Press enquiries: 020 7147 0798 / 2328 /2333 (Business Tax Desk)

020 7147 2318 / 2331 / 0051 (Personal Tax Desk)

020 7147 2314 / 0052/ 0394 (Law Enforcement Desk)

07860 359544 (Out of hours)

GOVERNMENT DEPARTMENT INTERNET SITES

Further information and all published documents relating to Pre-Budget 2009 may be found on the Internet at the following addresses:

HM Treasury: <http://www.hm-treasury.gov.uk/>

HM Revenue & Customs: <http://www.hmrc.gov.uk/>

