2009 Pre-Budget Report

Pre-Budget Report 2009 for the South East

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:

Supporting business
Enterprise Finance Guarantee Scheme (Small Business Scheme) to support up to £1.3bn of banks lending to smaller SME's was due to close in March 2010. This has now been extended for another 6 months. So far in the South East, nearly £106.1m of eligible applications from 1047 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 70% of empty properties in the South East region.

In order to strengthen the incentives to invest in innovative industries and ensure the UK remains an attractive location for innovation, Government announces it will introduce a Patent Box, applying a reduced rate of Corporation Tax to income from patents from April 2013.

Families
Bring 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 8,345 young people aged 18-24 who had claimed JSA for over 6 months in the South East.

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). This is 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 1.6 million people in the South East.

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 on16 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.

As part of the Total Place scheme Kent partners are working together transforming access to public services via the 'Gateway' multi-channel model. Associated with this is a single asset-management strategy to further amplify the efficiencies gained from transformed public access. Today's PBR extends the Governments 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. 8,000 homes in the South East could benefit from this additional funding.

Jonathan Shaw, Regional Minister for the South East, said

> *"This Pre Budget Report builds on the support packages for individuals and businesses outlined by the Chancellor at Budget, which announced measures to ensure a quicker and stronger recovery. The measures announced today will translate into real benefits for the people of the South East."*

Liam Byrne, Chief Secretary to the Treasury, said

> "*This Pre-Budget Report will help lock in Britain's recovery, protecting families and businesses in the South East 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 the South East."*

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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/