

# Thérèse Coffey MP

## Newsletter



*Please find below a special budget edition of my newsletter. I also update my website [www.theresecoffey.co.uk](http://www.theresecoffey.co.uk) and [Facebook](#) regularly. If you no longer wish to receive this newsletter, there is a link to unsubscribe below.*

Last week, the Chancellor delivered his Budget statement focused on Enterprise, Employment, Education and Everywhere. Despite enormous global challenges, the UK economy is proving the doubters wrong, avoiding recession with growth forecast to return. The measures set out in the Budget will also help deliver on the government's priorities to halve inflation and reduce debt so we can create better-paid jobs and opportunities right across the UK. More information [here](#).

## BUDGET 2023 HEADLINES

- 1** 30 hours a week of free childcare from 9 months to 4 years
- 2** Cutting taxes for businesses that invest in the UK
- 3** Energy Price Guarantee set at £2,500 until July 2023
- 4** Smart regulation for digital tech
- 5** Fuel duty frozen
- 6** Tax relief for the UK's world famous creative sectors
- 7** Reforming pension tax limits – enabling highly skilled workers, like doctors, to keep working
- 8** £8.8 billion for additional local transport funding in England
- 9** Duty on draught beer frozen
- 10** Fixing 4 million potholes

**BUDGET  
2023**

### **Cost of living support**

**Extending energy support:** For the next three months, the price households pay for the energy they use will continue to be capped, as they have been since October, so that a typical household will pay £2,500.

**Freezing fuel duty:** Fuel duty will be frozen for a thirteenth consecutive year, saving the average driver around £200.

**Action on prepayment meters:** We're ending the premium paid by over four million households using prepayment meters, ensuring fairness for all bill payers and saving customers an additional £45 a year on their energy bills.

### **Enterprise**

**Business expensing:** A tax cut for business worth £25 billion over three years, rewarding businesses for every single pound they invest. The UK will still have the lowest Corporation Tax rate in the G7, incentivising investment and boosting growth.

**Support for R&D:** Cementing our position as a science superpower to grow the economy by investing £500m in the sector.

**Simplifying the tax system for SMES:** A review into taxes paid by smaller businesses and a consultation to simplify the way four million sole traders pay their Income Tax.

**Great British Nuclear:** Bolstering Britain's energy security and reaching Net Zero by 2050. The state-owned body, Great British Nuclear will launch a competition to build Small Modular Reactors in the UK. The budget also provides up to £20 billion funding for early deployment of carbon capture usage and storage - unlocking investment and job creation.

### **Education**

**Free childcare:** We're introducing 30 free hours of childcare per week for children from 9 months to 4 years, worth £6,500 per year per child from 2025. This will give parents the opportunity to take up more work, boosting our economy.

**Universal Credit:** UC childcare costs will now be paid upfront rather than in arrears, helping with household budgets. On top of this, we're encouraging more Universal Credit claimants to take up work. Increasing the childcare cost maximum amounts to £950 for one child and £1,629 for two children.

**Childcare providers:** We're increasing the hourly rates paid to providers of free childcare, supporting the sector to meet rising costs. We will pay £204

million next year, increasing to £288 million by 2024-25.

**More flexibility:** We will proceed with changes to minimum staff-to-child ratios for 2-year-olds, moving from 1:4 to 1:5 to align with Scotland.

**Grants to childminders:** We're introducing childminders grant to support childminders with start-up costs, encouraging more people to enter the sector. This amounts to £600 for individual applicants and up to £1,200 for applicants who apply through a childminder agency.

### **Employment**

**Pensions:** We're increasing the annual pension allowance to £60,000 and abolishing the Lifetime Allowance, encouraging older workers, such as doctors to remain in the labour market.

**Universal Credit:** Increasing the Administrative Earnings Threshold from 15 to 18 hours, helping UC claimants into work. This is expected to mean that over 100,000 claimants, including those in-work and on lower earnings will receive more regular support from a Work Coach to help them take steps to increase their earnings.

**Universal Support programme:** Will match disabled and long-term sick individuals who want to work with existing job vacancies - including tailored support within mental health services.

**Abolishing the Work Capability Assessment:** Helping more people who can work into the jobs that are right for them. We will remove the distinction between capable and not capable for work. These reforms will make the system better for disabled people and ensure they find the job that is right for them.

### **Everywhere**

**Potholes:** We are investing £200 million in 2023-24 in maintaining and improving local roads. The East of England is set to receive £27.4m of that money.

**Levelling-Up Fund:** The Chancellor confirmed that there will be a round 3, providing local authorities with the opportunity to bid for more money for innovative projects.

**Swimming pools:** Providing £60 million in a Swimming Pool Support Fund, helping with immediate pressures faced by the leisure industry.

**Defence:** Investing an extra £5 billion in defence and national security over the next two years, improving our resilience and readiness of our defences. We have always met the NATO 2 per cent spending target, we have now gone further to set a new ambition of 2.5 per cent when the fiscal and economic situation allows.

### **Building on the Autumn Statement**

**Protecting the Triple Lock:** Providing certainty in retirement for 12 million pensioners. This means that in April, the State Pension will increase in line with inflation, which is the biggest cash increase in the State Pension ever.

**Up-rating benefits:** Benefits will also be increased in line with inflation, protecting more than ten million families. The average uplift for household's Universal Credit will be around £600.

**Increasing the National Living Wage:** Providing a £1,600 annual pay increase for two million of the lowest paid workers.

By doing all of this we will remove the obstacles that stop businesses from investing, tackle the labour shortages that stop them from recruiting, break down the barriers that stop people working and harness British ingenuity to make us a science and technology superpower.



Click [here](#) to read the Spring Budget in full.

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