

Broadcast

For all the latest news...

Issue 14 – November 2016

Personal & Business Taxation – Audit & Assurance – Accounting & Business Services



Chancellor sets out his stall as the Autumn Statement approaches

Chancellor Philip Hammond is set to use the upcoming Autumn Statement to outline plans to increase infrastructure spending in an effort to boost the UK economy following the Brexit vote.

Renouncing the fiscal target set by his predecessor, George Osborne, of restoring public finances to a surplus by 2020, the new Chancellor stated that 'now is a good time to invest in genuinely productivity-enhancing infrastructure, and to take advantage of low borrowing costs and our ability to borrow'.

However, he insisted that his Autumn Statement plans would not constitute a 'fiscal splurge'.

The Chancellor's pledge to increase infrastructure spending will undoubtedly be welcomed by the British Chambers of Commerce (BCC), which in its Autumn Statement submission urged the Chancellor to 'boost business investment', improve infrastructure and demonstrate 'continued support for business'.

The business group has also called on the Chancellor to further reform the UK's business rates system, improve the implementation of the Apprenticeship Levy and invest in 'quick-start' infrastructure projects, such as housing and broadband.

It also recommends that the Government should not introduce new input taxes or other costs for businesses 'for the remainder of this Parliament', and that the Annual Investment Allowance be temporarily widened to allow for business premises improvements.

Adam Marshall, Director General of the BCC, commented: 'The Autumn Statement gives the Government a great chance to set the tone for its relationship with British businesses by pulling out all the stops to support investment, infrastructure improvements and business confidence.'

'Plans to lower business costs and support investment would help firms take risks and seize opportunities in spite of the ongoing uncertainty surrounding the Brexit process.'

'Westminster must do everything in its gift to improve the business environment - and firms will repay that backing with investment, hiring, training and export growth.'

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Limited progress has been made' in reducing cost of regulation

A report published by the Public Accounts Committee (PAC) suggests that the Government has made 'limited progress' in reducing the cost of regulation for UK businesses.

The Government had previously pledged to reduce the total cost of red tape by £10 billion between 2015 and 2020.

However, in its report, the PAC reveals that less than £1 billion has been saved so far. It also suggests that the Government has included the compulsory 5p plastic bag charge as a 'saving' for retailers due to the additional revenue it generates.

Meanwhile, other significant costs, such as those generated by the National Living Wage, have been excluded from the target.

The report also claims that Government departments 'do not know how much it costs the business community to comply with existing regulations', and that these departments do not act to monitor and evaluate the effects of their regulatory decisions.

Following its findings, the PAC has put forward a number of recommendations to the Better Regulation Executive (BRE), the Government unit set up to cut the cost of red tape.

The PAC is urging the BRE to 'consider whether it is appropriate to include regulations imposed on business as contributing towards the target', and recommends that it sets out interim targets for savings to be achieved by the end of 2016.

Meg Hillier MP, Chair of the PAC, stated: 'A policy of reducing regulatory costs has the potential to deliver significant benefits but the Government has its work cut out if these are to be realised.'

Commenting on the report, Mike Cherry, National Chairman of the Federation of Small Businesses (FSB), said: 'FSB members tell us regulation is the number one issue they want this Government to focus on. As we face the challenges and opportunities of Brexit, it is vital that we bolster business productivity and remove burdensome red tape.'

'We urge the Government to act on this report so small businesses don't feel so overwhelmed by regulation.'

ESSENTIAL TAX DATES FOR NOVEMBER

1 November

£100 Penalty if 2016 paper Tax Return not yet filed. Additional penalties may apply for further delay (no penalties if online return filed by 31 January 2017)

2 November

Submission date of P46 (Car) for quarter to 5 October.

QUOTE OF THE MONTH

'Next year's review of automatic enrolment must be used by the Government to provide a long-term plan for how workplace pensions will provide a decent retirement income for low and middle-earners.'

NH Tech Bites ...Review our 'App of the month'

This month our recommended app is...our very own NH App.

The **NH App** is a great tool to quickly and easily estimate potential liabilities in a given tax year.

Key app features:

1. Free to download
2. Quick and easy to use calculators
3. Available on Android and IOS
4. Support for devices with larger screens



Search 'Nunn Hayward' in the App stores or scan the QR Code

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