# Emergency intervention needed to steer Britain from the brink



### 7 March 2017

The Green Party is calling for 'an emergency intervention' to steer Britain away from the brink of the crisis in the NHS and social care, and to clampdown on air pollution which is estimate to end 40,000 lives prematurely every year.

The Greens are also calling for the Government to protect small firms from the business rate hike, raise tax for the richest, stop corporation tax cuts and reverse a planned tax hike on solar panels.

The five demands [1] from the Green Party are:

- 1) An emergency aid package to protect health and social care services
- 2) Toughest ever action on air pollution
- 3) Protection of small firms from Business Rate hikes
- 4) Ensuring the richest people and biggest corporations pay more tax
- 5) Reversing the <u>solar tax hike</u>

# Jonathan Bartley said:

"This budget must be an emergency intervention to steer Britain away from the brink of multiple crises.

"After years of privatisation and underinvestment the future of the health service now hangs in the balance, and social care services are at risk of collapsing. If the Government is serious about working on behalf of the majority of people in this country then they will unveil an emergency aid package to protect health and social care services. We know that funding a world class healthcare service will cost more, which is why the Government should reverse their planned cuts to corporation tax and their tax giveaway to high earners. Failing to properly fund health and social care would be a dereliction of duty from this Government — and would leave any claim they had to be standing up for working people in tatters."

## Caroline Lucas MP said:

"There is an air pollution emergency happening in Britain — and the Government has to act now to tackle it. The Chancellor should immediately raise vehicle excise duty on new diesel cars, to send a signal to the market that this fuel must be phased out. The freeze on the fuel duty escalator should also end — thus freeing up billions of pounds which the Government

should plough into public transport, walking and cycling. In recent years the cost of motoring has dropped considerably while the price of catching the bus or train has skyrocketed — if we're serious about reducing the amount of toxic fumes in our air we've got to shift people out of cars and onto affordable public alternatives.

"The Chancellor must also use this budget to get a proper grip on Britain's climate policy. At a very bare minimum that must mean reversing the solar tax hike that's set to hit community groups and schools — and it must mean more support for onshore wind too."

### **ENDS**

- [1] A Green Budget would include:
- 1) An emergency aid package to protect health and social care services.

This means an additional £30bn per year on the NHS by 2020 (as estimated by NHS England) + at least £2.6bn to cover the social care shortfall.

2) The toughest ever action on air pollution.

VED of £800 on new diesel (would raise 500m per year)

Unfreeze the fuel duty escalator (£9bn per year by 2020)

3) Protect small firms from the unfair business rate hike.

We are calling for an extension of Small Business Rate Relief for small businesses, including increasing the threshold for 100% relief to £15,000, tapering to at least £18,000.

4) Ensuring the richest people and biggest corporations pay more tax

New taxes:

Top rate 60% income tax would raise 2.3bn

Robin Hood Tax could raise up to £2bn

Wealth tax could raise up to £25bn

+

Reverse the Corporation tax cut for larger firms — and raise level to 30% for big companies (G7 average is 32.3%): Would raise £12.5bn by 2020

Reverse the high rate tax change thus raising £600m by 2020.

Reverse the reduction in capital gains thus raising £670m by 2020.

## 5) Reverse the solar tax hike

The changes to Business Rates from 1 April (see above) may lead to a six to

eightfold increase in the Rateable Value on solar photovoltaics (PV) installed for self-generation. According to the Solar Trade Association, this may make installing and running solar PV economically unfeasible for thousands of businesses and organisations across the UK — indeed, some businesses with panels already installed may be forced to remove them.

Given the urgent need to decarbonise our economy and the important role that solar must play in that, this would be a worrying and deeply regressive development. It would further undermine the confidence of the business and investor community. At a time when the Government is considering its new Emissions Reduction Plan and a new industrial strategy, this move would send all the wrong signals.

As well as affecting businesses, the tax increase will also affect schools and community groups. It seems particularly unfair that the increase will affect state schools who have installed solar panels but not private schools, who are exempt due to their charitable status.

This indiscriminate and disproportionate tax increase comes at a time when solar continues to outperform all expectations. This year, the UK saw an estimated 6,964 gigawatt hours (GWh) generated by solar over the summer period: 5.4% of the UK's electricity demand. Indeed, solar power generated more electricity than coal in the six months running up to the end of September. On top of this success, a recent report by Aurora Energy Research found that the cost of integrating solar — set to be the cheapest form of electricity generation by the mid-2020s — into the national grid is "negligible".

To reverse this solar tax hike, the Green Party calls on the chancellor to extend the exemption on small-scale (less than 50KW) solar installations.

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