

Unsurprisingly, the Chancellor clearly had Brexit on the mind when he began his Spring Statement, knowing what was to come and preparing for it. He amply portrayed the doomsday scenario that a no-deal Brexit was likely to have on the UK economy.

However, there were a number of positives. Unemployment is down as is the deficit and that has meant the Government has been able to be more adventurous on things like housing,

commitments to climate change and some aspects of education.

Significantly, the Chancellor said “I intend to launch a full three-year Spending Review before the summer recess, to be concluded alongside an Autumn Budget.” Whilst this could be highly significant, with all the moving parts within British politics, one has to question how likely it is to happen.

Infrastructure

The Chancellor announced the implementation of several initiatives, including the Transforming Cities Fund, which will see £60 million of investment in 10 cities across England. He also committed to ‘investing in people’, announcing a £700m package of funding for apprenticeship changes.

Tax Avoidance & Evasion

The Government will publish policy papers on tackling tax avoidance, evasion and other forms of non-compliance. It will also publish an Offshore Tax Compliance Strategy Paper and setting out the direction for HMRC’s updated strategy in this area.

Business

The government modernised the tax system with the introduction of digital VAT records from April, there will be a light touch to penalties in the first year. In the coming months, the Government will publish a consultation paper on preventing abuse of the R&D tax relief for SMEs. It will aim to minimise the impact on genuine businesses.

Housing

Through the Affordable Homes Guarantee Scheme, the Government will guarantee up to £3bn of borrowing for housing associations in England delivering around 30,000 affordable homes. It will also publish a Green Paper setting out proposals on how greater capacity and procedural improvements will work.

GDP Growth

1.2%

GDP is set to grow by 1.2% in 2019, less than the 1.3% forecast in the 2018 Autumn Budget.

Knife Crime

£100m

Funds made available to the police: “ring-fenced to pay for additional overtime targeted on knife crime.”

Wage Increase

3.4%

2018 saw a record wage growth of 3.4% in 2018 - the highest in ten years.