



Mole Valley Conservative Association's Newsletter

Issue 57; March 2012

Welcoming Note

Welcome to the March issue of the Mole Valley Conservative Association's Newsletter from the House of Commons.

To unsubscribe to this newsletter, please contact us through the website 'Contact us' page with a subject line of 'unsubscribe'.

We hope you enjoy reading the March issue.

News from the House of Commons Threat to local solicitors



The major bank HSBC has recently established a small mortgage lender panel of solicitors and licensed conveyancers for their home buying customers in contrast to a more open door approach.

In January this year, HSBC announced that they were setting up a panel of just 43 firms to cover the whole of the UK. The law firms in the Mole Valley constituency were given no prior warning of this arrangement and no opportunity to apply for panel membership. Most major lenders continue to operate large panels of thousands of firms, to ensure good geographical coverage and consumer choice.

With HSBC, where the consumer wishes to exercise their right to instruct the conveyancing solicitor of their choice, they will only be able to do so if they pay an additional fee. Therefore, the public's freedom to instruct a lawyer of their choice is limited. This is potentially devastating for law firms who rely on carrying out conveyancing work for local clients in Mole Valley and throughout the country.

Unsurprisingly, I have received numerous letters from concerned solicitors throughout the constituency and have also had a visit from two representatives from the Surrey Law Society (SLS). HSBC appear to suggest that the dramatic reduction in panel size is due to their tough stance on mortgage fraud. However, the solicitors who have contact me cannot see how these changes will combat the problem.

This matter is giving great concern so I have written to Rt Hon Vince Cable MP, Secretary of State for Business, Innovation and Skills, and have asked for a prompt constructive response. I also hope to arrange a brief meeting with him and a couple of representative Surrey solicitors, which I believe would be very helpful.



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Feature Article

The 2012 Budget



On 21st March, Chancellor of the Exchequer George Osborne set out a radical, reforming Budget which helps Britain earn its way in the world. It rewards work and unashamedly backs business and puts us on the side of those who aspire to do better for themselves and their families. It also sticks to the plan to deal with Labour's debts.

The Chancellor outlined far-reaching tax reforms, including the largest ever increase in the personal tax allowance that will benefit 24 million ordinary families. This is the largest increase in the personal allowance and most basic rate taxpayers will gain £220 every year. Overall by April 2013, this Government will have taken two million low paid people out of income tax altogether.

The top rate of income tax is being reduced to 45p, so Britain no longer has the highest rate of income tax in the G20. The 50p rate undermines our competitiveness and new evidence, endorsed by the independent Office of Budget Responsibility, finds that it only raises a fraction of what was intended.

The Chancellor has decided to only withdraw child benefit where someone in the household has an income of more than £50,000. To prevent a cliff-edge, this withdrawal will be gradual, and only those households where someone earns more than £60,000 will lose all their child benefit. An extra 750,000 families will keep some or all of their child benefit. Overall 90 per cent of families will be eligible for child benefit; only the richest 10 per cent will get none.

The Government has again shown its determination to tackle tax avoidance and tax evasion. A new General Anti-Abuse Rule will be introduced to target artificial and abusive tax avoidance schemes. Stamp duty avoidance will also be stopped.

An additional 1% cut in corporation tax will provide a much needed boost for investment and jobs. Britain will have the lowest rate in the G7 by April 2014 and it is a sign to the rest of the world that Britain is open for business.

This Budget shows that the current Government supports working families and promotes economic growth.

Much has been written about the so-called "Granny Tax" in the wake of the latest Budget but this Government is committed to supporting pensioners and under this Government, pensioners are better off than they would have been under Labour.

The Government has introduced a 'triple lock' guarantee for the basic state pension which means that pensioners will see the biggest ever rise in their state pension this year, worth £5.30 per week. In



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2013-14 pensioners will receive £130 more than they would have done without the triple lock, and for the next three years existing pensioners will, on average, be better off than they otherwise would be as a result of changes announced since the June 2010 Budget.

In addition, Ministers are protecting key pensioner benefits such as Winter Fuel Payments, free prescriptions and eye tests, free bus travel and free TV licences for older pensioners.

On the age-related allowance specifically, the change announced in the Budget simplifies a very complex area of the tax system and moves us towards a straightforward system in which everyone has the same personal allowance. No one will face a cash loss from this decision. It is also worth noting that this change affects less than half of pensioners and in fact over five million of the poorest pensioners are unaffected.

It is important to note that the Government has significantly increased the personal allowance for those currently aged under 65, taking it to £9,205 from April 2013. This is part of the Government's commitment to raising the threshold to £10,000 by the end of this Parliament.



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News in brief

Sir Paul's Bill receives Royal Assent



On 8th March 2012, Sir Paul was celebrating his Private Members' Bill finally becoming law, when it received Royal Assent. This final stage was announced in the House of Commons Chamber.

Royal Assent is the Monarch's agreement to make a Bill into an Act of Parliament. The Monarch actually has the right to refuse Royal Assent but nowadays this does not happen and the Royal Assent is a formality.

This Act amends a previous piece of law and ensures that the police are able to prosecute many more offenders who perpetrate horrific abuse towards children and vulnerable adults.

The Domestic Violence, Crime and Victims (Amendment) Act was helped through the Lords by the highly esteemed Crossbencher Lord Laming who has great experience in the area of child abuse legislation.

Beer and Pubs in Mole Valley



Sir Paul was recently sent some interesting statistics from the British Beer & Pub Association.

Their research concluded that "In Mole Valley the brewing and pub sector is a dynamic part of the local economy. Historic and vibrant; it creates jobs, adds to the local economy and is at the centre of the hospitality industry, our cultural heritage and the social life of every community."

The constituency has 96 pubs and 2 breweries with 1693 jobs reliant on the industry. Financially, these wages amount to £23.2m; there is a £34.3m contribution to GDP and £1.7m is invested into the local economy.

The taxes paid total £13.6m in Mole Valley and £11056m in the UK as a whole.