

Summary of Budget Speech

Delivered by Chancellor to House of Commons, 16th March, 2016 12.30pm

“We choose to put stability first”

“We choose the long term”

“We choose to put the next generation first”

Employment

- Lowest proportion of people claiming out of work benefits since 2004.
- 2 million jobs have been created
- 90% of jobs in skilled vocations
- Employment growing fastest in North West
- Public spending to be cut by an extra £3.5 billion

For small businesses

1. Reduce rate of corporation tax - by April 2020 will fall to 17%.
2. Increase in Business rates relief to rise to £15,000
3. Commercial stamp duty graduated with a 5% top rate for above £250k from midnight tonight.

Devolution

1. City Deal with Edinburgh
2. Halving of Severn Bridge crossing toll from 2018.
3. City Deal for Swansea
4. Elected Mayor in Northern Cities
5. Criminal Justice powers to be handed to Greater Manchester
6. GLA will move towards full retention of Business Rates from 2017

Housing & Property – “We are the builders”

1. Support for Community Housing Trusts
2. £20 million to help young families in South West onto Housing Ladder
3. £150 million to address homelessness and rough sleeping
4. High Speed 3 between Manchester and Leeds
5. Crossrail 2 – linking North and South London

Education

1. By 2020 every primary and secondary will be an academy.
2. Focus on the North, education in London has already been reformed.
3. Teaching Maths to 18 for all.
4. Fair national funding formula - £ 0.5 billion to consult on this.

Healthcare

1. New sugar levy on soft drinks industry, introduced in 2018 to allow time for products to change.
2. Money from sugar levy to double funding for sport in every primary school
3. Lengthen Secondary school day to offer extra activities including sport

Indirect Taxes

1. Fuel duty frozen for 6th consecutive year
2. Tobacco duty to continue to rise – floor on price of cigarettes
3. Freezing beer, cider and whisky duty

Enterprise

1. Abolition of Class 2 NI contributions for self employed.
2. Capital Gains Tax cut to 20% and cut for basic rate tax payers to 10%.

Savings

1. Increase ISA limit to £20,000 a year
2. Lifetime ISA for under 40s from April 2017, up to £4000 each year. Government matches £1 for every £4 invested.

Other

- Insurance premium tax increased by 0.5%
- £700m for flood defences.
- Tax free persona allowance increased to £11,500 from April 2017
- Higher rate tax threshold increased to £45,000 from April 2017