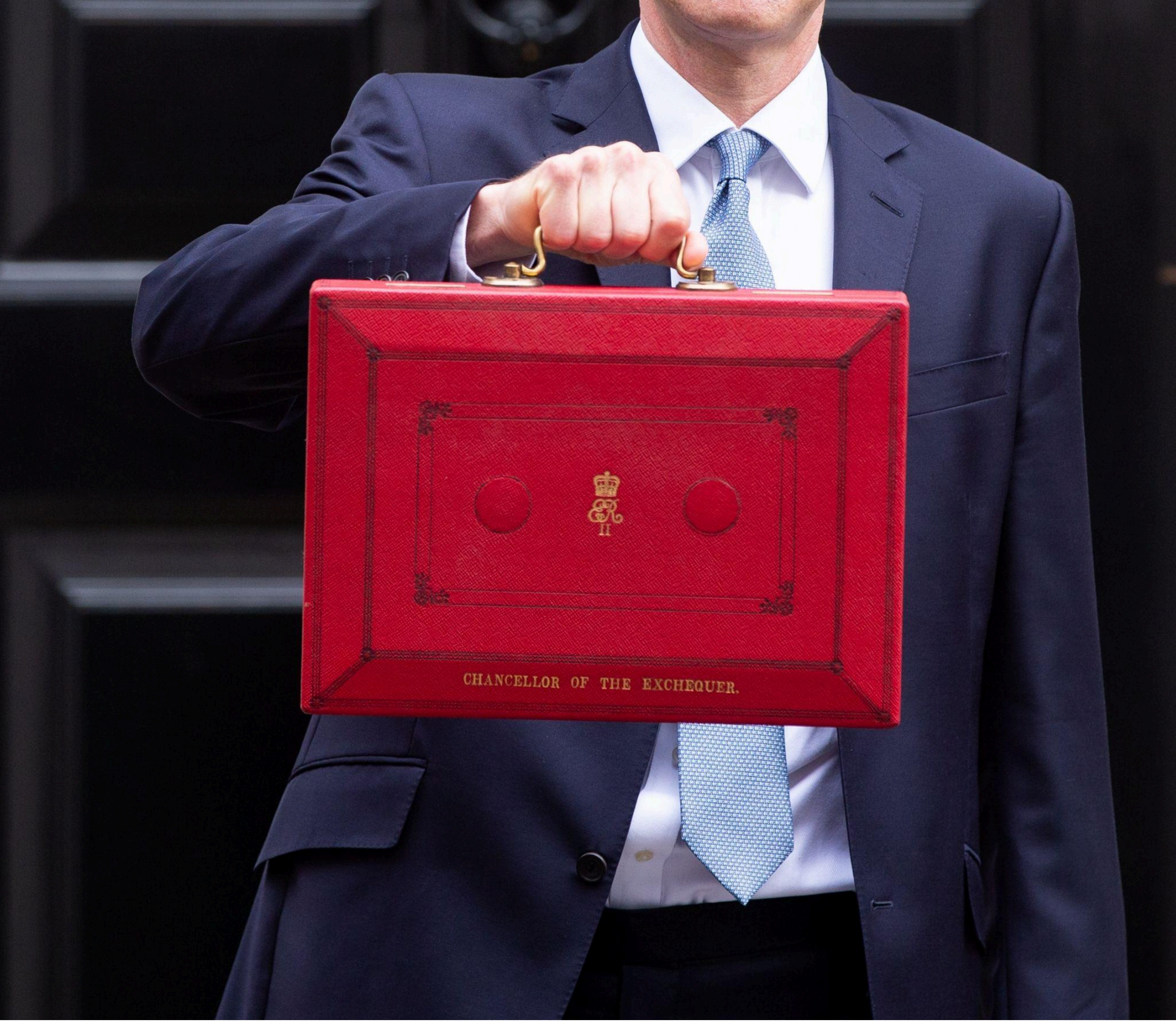

Spring Budget Summary and Stakeholder Reaction

By the Vuelio Political Team

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Introduction

Chancellor Jeremy Hunt set out the Government's 'Budget for Long Term Growth' after the UK economy has dealt with a pandemic and an energy crisis in recent years. If this was the last major fiscal event before the General Election, there were some measures to ensure people have more money at their disposal with tax cuts and cost of living support. The Government will hope these have more of an impact on the Government's polling numbers than the cuts made at the Autumn Statement.

The consistent criticism of Labour also made this a more 'political' Budget. The jibe at Angela Rayner on the announcement of abolishing 'Multiple Dwellings Relief' is evidence of this, as was several jabs from Hunt that Labour did not have a plan, so would need to listen carefully. Labour may be able to point to the Government copying their policy over non-doms as a quick rebuttal to this however.

Hunt's announcement that the Office for Budget Responsibility (OBR) predicts the UK economy will grow quicker than expected over the next couple of years will be welcomed by all. This probably allowed Hunt to maintain public spending at 1% after inflation following rumours that he was considering cutting this to 0.75% to get some extra breathing space.

Hunt made what many will view as a good decision in cutting National Insurance (NI) and providing some relief for those in work. However, for many, including pensioners who make up a significant number of the Conservative voter base, his decision not to do anything on Income Tax will be disappointing. Significantly, the Government is still on course to see the UK reach its highest level of taxation for 80 years.

Some measures that were briefed before today's speech are the tax on vapes, the abolition of the non-dom tax status and the British ISA allowing an additional £5,000 of savings. We have moved a long way since 1947 when Chancellor Hugh Dalton resigned for revealing a sentence of the Budget to the press prior to his speech.

Hunt also listened to campaigns from Citizens Advice on abolishing the fee to obtain a Debt Relief Order, meaning more people can get their way out of debt. He also announced changes to Child Benefit, meaning the thresholds will increase for the first time since 2013. There will also be a consultation in 2026 on moving the threshold to be based on family income rather than individual income. Hunt told Martin Lewis this was in large part to his campaigning on the issue.

In his response to the Budget, Keir Starmer said the national credit card has been maxed out and noted that it was the first Parliament since records began that has seen living standards fall. He welcomed the Government's acceptance of Labour's position on non-doms; it will be interesting to see what this means for Labour's own spending commitments as this move was going to go towards funding part of them, with some portraying this as a 'scorched earth budget.'

To add to the feeling of this being a 'political' budget, in his response Starmer criticised not just the Prime Minister and the Chancellor but also Gillian Keegan, Liz Truss and Michael Gove - a truly varied attack on various camps in the Conservative Party.

Rachel Reeves suggested earlier in the day that the Budget 'should be the final chapter of 14 years of Tory economic failure'. Starmer called for Sunak and Hunt to confirm 2nd May as the date for the next General Election. However, many from the Westminster bubble have predicted the Budget will not lead to a Spring election. The Budget itself says the next Spending Review will not be before a General Election. Many of the measures announced today will not be felt until someway down the line, and time will tell whether what the Government were able to provide is going to be enough of a needle mover.

Economic and Fiscal Outlook

The economy seems to be on course to leave the recession it slipped into last year with GDP growing by 0.8% in 2024, and by 1.9% and 2.0% in 2025 and 2026 respectively. Inflation is also going to fall below the target of 2% in the next few months. However, the OBR predicts that despite new policies to incentivise work, the labour participation rate will continue to fall.

- Government policy announced at the past three fiscal events is expected to increase the size of the economy by 0.7% by 2028-29, by increasing total hours worked by the equivalent of more than 300,000 full-time workers, and boosting business investment by £14bn.
- Public sector net debt excluding the Bank of England falls as a share of GDP in 2028-29 with £8.9bn headroom. Public sector net debt ('headline debt'), a broader measure, falls every year from 2024-25.
- The OBR now forecasts inflation to return to the 2% target in Q2 2024.
- The OBR forecasts GDP growth to return in Q1 2024 and strengthen over the year.
- The OBR expects rising health-related inactivity to continue weighing on the participation rate.
- The OBR forecast that the Government's labour market and tax policies will raise labour supply. The last three fiscal events will boost total hours worked by the equivalent of more than 250,000 full-time workers by 2028-29.
- The OBR forecasts the economy to grow by 0.8% in 2024, with growth then increasing to 1.9% and 2.0% in 2025 and 2026. Growth then returns towards the OBR's estimate of its potential rate, averaging 1.8% in 2027 and 2028. GDP per capita is forecast to grow every year from 2025.
- The OBR expects the real household disposable income (RHDI) per capita to rise every year, and to return to pre-pandemic levels two years earlier than forecast in November 2023.
- The unemployment rate is forecast to peak at 4.4% in 2024 and 2025, lower than the 4.6% in the OBR's November 2023 forecast. The unemployment rate is then forecast to fall gradually to 4.1% in 2028.
- Public Sector Net Borrowing is forecast to be £114.1bn in 2023-24, down from the peak of £314.7bn in 2020-21, during the COVID-19 pandemic.
- Borrowing is forecast to fall every year, reaching £39.4bn, 1.2% of GDP, by 2028-29. This would be the lowest level of borrowing as a share of GDP since 2001-02
- The current budget deficit is forecast to be balanced by 2027-28.
- Total borrowing from 2023-24 to 2028-29 is forecast to be £0.3bn lower than at Autumn Statement 2023.
- The net financing requirement for the Debt Management Office in 2024-25 is forecast to be £265.3bn.
- The OBR's forecast for the UK's underlying debt as a percentage of GDP is lower every year than at Autumn Statement 2022.

- Headline debt is forecast to fall every year from 2024-25, reaching 95.1% in 2027-28 and 94.3% in 2028-29.
- Public sector net worth is expected to strengthen from – 70.2% of GDP in 2024-25 to – 63.9% of GDP in 2028-29.
- Public sector net financial liabilities is forecasted to improve from a peak of 83.6% of GDP in 2024-25 to 78.7% in 2028-29.
- The OBR has confirmed that the Government is on track to meet both its debt and borrowing fiscal rules.
- Underlying debt falls in the final year with a £8.9bn buffer (‘headroom’). This compares to headroom of £13bn at Autumn Statement 2023 and £6.5bn headroom at Spring Budget 2023.
- The OBR forecasts that the welfare cap will be breached by £7.4bn in 2024-25.

Taxation and Public Services

With an election expected later this year, it was highly anticipated for the Chancellor to announce a package of tax giveaways. The Chancellor's announcement that national insurance will be further cut from 10% to 8% thus has come as no surprise after being reported for weeks. As expected, Jeremy Hunt announced a series of revenue raising measures to pay for the cut in NI and freeze in fuel duty. Measures include abolishing the non-dom tax status, extending windfall tax on energy companies, vaping tax, increasing taxes on short term holiday lets and increasing taxes on business class flights.

However, the OBR predicts that the personal tax cuts announced in the 2023 Autumn Statement and 2024 Spring Budget will reverse around a half of the total additional tax revenue raised from the freezing of thresholds in 2028-29.

Public Spending and Productivity

The Government will:

- Continue to provide a 1% a year average increase in departmental resource spending.
- Provide £4.2bn to improve the productivity of the public sector. This includes £3.4bn of additional capital departmental expenditure limit over the next three years as part of the NHS's productivity plan. This further includes £0.8bn of funding to wider public services.
- The next Spending Review will come after the General Election.

Tax

The Government will:

- Cut the main rate of Class 1 employee NICs from 10% to 8%.This will take effect from 6 April 2024.
- Make a further 2p cut to the main rate of self-employed National Insurance.
- Replace non-UK Domicile tax rules with a residence-based regime. This new regime will commence on 6 April 2025 and applies UK-wide.
- Reform Overseas Workday Relief (OWR). Further detail on eligibility criteria will be set out in due course.
- Consult in due course on the best way to achieve a residence-based regime for Inheritance Tax (IHT), including consulting on a 10-year exemption period for new arrivals and a 10-year 'tail-provision' for those who leave the UK and become non-resident. No changes to IHT will take effect before 6 April 2025.
- Adjust Landfill tax rates for the year 2025-26 to better reflect actual RPI. The standard rate of Landfill tax will increase to £126.15 per tonne and the lower rate will increase to £4.05 per tonne.
- Extend the Energy Profits Levy (EPL) to the end of March 2029.
- Introduce a new duty on vaping products from 1 October 2026. A 12-week consultation has been published on the policy design and technical details alongside the Spring Budget.

- Increase Air Passenger Duty rates for economy passengers in line with forecast RPI in 2025-26. Rates for those flying premium economy, business and first class and for private jet passengers will also increase by forecast RPI and will be further adjusted for recent high inflation to help maintain their real terms value.
- Consider the findings of the OBR review of the original costing of the removal of tax-free shopping, alongside industry representations and broader data, and welcome any further submissions in response to the ORB's findings.
- Maintain the difference between road fuel gas and diesel duty rates until 2032.
- Extend the Empty Property Relief 'reset period' from six weeks to thirteen weeks from 1 April 2024 in England.
- Consult on a 'General Anti-Avoidance Rule' for business rates in England, and has published at Spring Budget a summary of responses to the Business Rates Avoidance and Evasion Consultation.
- Maintain the starting rate for savings, the 0% band for savings income, at £5,000 from 6 April 2024 to 5 April 2025.
- Amend existing Gift Aid legislation by Statutory Instrument so that charities can continue to claim Gift Aid while complying with these new protections.
- Invest a further £140m to improve HMRC's ability to manage tax debts.
- Consult to seek views on how best to implement the Crypto-Asset Reporting Framework and Amendments to the Common Reporting Standard.
- Legislate in the Spring Finance Bill 2024 to ensure individuals cannot use a company to bypass anti avoidance legislation, known as Transfer of Assets Abroad provisions, in order to avoid UK income tax.
- Provide an update on the recent consultation on tackling non-compliance in the umbrella company market at Tax Administration and Maintenance Day.
- Publish a consultation both on options to strengthen the regulatory framework in the tax advice market, and on requiring tax advisers to register with HMRC if they wish to interact with HMRC on a client's behalf.
- Freeze fuel duty rates for 2024-25.
- Freeze alcohol duty from 1 August 2024 until 1 February 2025.

Tax simplification

The Government will:

- Ensure that from 1 April 2024, personal representatives of estates will no longer need to have sought commercial loans to pay inheritance tax before applying to obtain a 'grant on credit' from HMRC.
- Improve and simplify HMRC's digital services to support Income Tax Self Assessment taxpayers seeking to pay tax in instalments.
- Close the Alcohol Duty Stamps Scheme following a review by HMRC. The Government will publish legislation later in the year for an orderly wind-down of the Scheme.
- Consult later in 2024 on how it will deliver Class 2 abolition National Insurance Contributions.

- Announce further metrics to measure progress against tax simplification.
- Bring forward a further set of tax administration and maintenance announcements on 18 April 2024 at a Tax Administration and Maintenance Day.

Investment

The Government will:

- Shortly publish draft legislation on an extension of full expensing to assets for leasing.
- Launch a pilot programme through the Office for Investment to explore the creation of new Government asset-backed investment opportunities.
- Begin legislating for the Reserved Investor Fund (Contractual Scheme) (RIF) in the Spring Finance Bill 2024. This follows the Government publishing the summary of responses to a 2023 consultation on the scope and design of a tax regime for RIF.
- Revise annual reporting guidance which will provide LGPS funds to provide a summary of asset allocation, including UK equity investment, as well as provide greater clarity on progress of pooling, through a standardised data return.
- Publish a consultation for the Financial Conduct Authority Value for Money to ensure better value from defined contributions schemes by judging performance on overall returns, not cost.
- Launch a product through National Savings & Investments (NS&I) which will offer consumers a guaranteed interest rate, fixed for three years.
- Create an additional ISA with a £5,000 allowance and will consult on the details.
- Deliver a sale of part of its NatWest shareholding to retail investors this summer and fully exit its shareholding in NatWest Group by 2025-26
- Work with ABI to finalise a framework for monitoring progress on the Mansion House Compact ahead of its first anniversary.
- Explore a lifetime provider model for Defined Contribution (DC) pension schemes in the long-term.

The Government has:

- Published a consultation on a new Private Intermittent Securities and Capital Exchange System (PISCES). PISCES will be a new innovative market that will allow private companies to scale and grow, and will boost the pipeline of future Initial Public Offerings (IPOs) in the UK.
- Announced the names of the LIFTS winners as Schroders and Intermediate Capital Group (IGC).

SMEs

The Government will:

- Rename the Recovery Loan Scheme as the Growth Guarantee Scheme and extend it until the end of March 2026.
- HMRC has published new guidance around the tax deductibility of training costs for sole traders and the self employed.

- Increase the VAT registration threshold from £85,000 to £90,000, and the deregistration threshold from £83,000 to £88,000, freezing them at these levels. This will apply from 1 April 2024.
- Legislate to reinstate the previous eligibility criteria to qualify as a high net worth or sophisticated investor.
- Launch the SME Digital Adoption Taskforce shortly; which will investigate how best to support the adoption of digital technology by SMEs in order to boost their productivity.

Culture, Media and Sport

Following the Government's warm words for the creative and cultural industries in the King's Speech in 2023 and the additional support provided for the industries in the Autumn Statement, the Government's Spring Budget arguably represented a similar line of support.

This is particularly important as it comes after heavy external pressure from the Chair of the Culture, Media and Sport Committee. Caroline Dinenage wrote to Jeremy Hunt to call for 'urgent action' to support British Independent Film. Moreover, research from the Broadcasting, Entertainment, Communications and Theatre Union (BECTU) showed the work drought and wider crisis facing the creative industries. Finally the Local Government Association called on the Government to deliver additional support for local cultural services.

In response to this, the Spring Budget announced £26.4m for the National Theatre, the permanence of the Theatre Tax Relief (TTR), Orchestra Tax Relief (OTR) and Museums and Galleries Exhibitions Tax Relief (MGETR) from the pandemic and a new UK Independent Film Tax Credit to support independent film production in the UK. This was coupled with additional support for cultural projects through the Levelling Up fund, such as Theatr Clwyd in Wales.

Nonetheless, the lack of mention of gambling will do little to quell calls from some in the industry for additional reform and taxation of gambling to reduce harm.

Film and TV Support

- The Government announced a UK Independent Film Tax Credit to be introduced at a rate of 53% on qualifying film production expenditure. This enhanced Audio-Visual Expenditure Credit will be available for films with budgets under £15m that meet the requirements of a new British Film Institute test.
- Additionally, the Government will ensure eligible film studios in England will receive a 40% reduction on gross business rates bills until 2034. The relief will be implemented as soon as possible, and bills will be backdated to 1 April 2024. This is a tax cut worth around £470m over the next 10 years.
- Following a call for evidence at Autumn Statement 2023, the Government will ensure that the credit rate for visual effects costs in film and high-end TV is increased to 39% from April 2025, and the 80% cap will be removed for qualifying expenditure for visual effects costs.
- Thereafter, the Government will consult on the types of expenditure that will be in scope of the additional tax relief and implement the measure through a future Finance Bill.
- Moreover, the Government is committed to developing the emerging talent of the British film industry and will fund the National Film and Television School (NFTS). This will allow up to 200 new apprenticeship places per year; new cutting edge courses including the use of AI; and improve facilities for students with physical disabilities.

Creative Industries

- The Government detailed that from 1 April 2025, the rates of TTR, OTR and MGETR will be permanently set at 40% (for non-touring productions), and 45% for touring productions and all orchestra productions. The sunset clause for MGETR will be removed.
- The Government will provide £26.4m to upgrade the National Theatre's stages and infrastructure.

Culture and Levelling Up

- The Government will deliver £15m of funding for the West Midlands Combined Authority to support culture, heritage and investment projects in the region. This will consist of £10m to support culture and heritage projects, and £5m to drive inward investment in the region.
- Likewise, the Government will provide £1.6m for Theatr Clwyd in Wales, subject to business case approval. This is the largest producing theatre in Wales and the funding will help support a major refurbishment.
- The Government will confirm the allocation of £100m of funding for culture projects. This will support a combination of nationally-significant cultural investments such as the British Library North in Leeds, National Railway Museum in York, and National Museums Liverpool, as well as the development of cultural projects in places previously prioritised for levelling up investment but which have not to date received levelling up funding, including in High Peak, Redditch and Erewash.
- The Government will work with the cities in Scotland yet to receive an allocation of culture support – Perth and Dunfermline – to invest a shared £10m for cultural investment.

Education and Skills

In Hunt's address to Parliament today he detailed the Government's ambition to build a highly skilled workforce, while he also praised the Conservative Government's continued investment in schools since 2010 - a move that he argued had seen the UK improve compared to other OECD countries in the PISA tests.

Nonetheless, coming into the Spring Budget the Government faced significant pressure from external groups to deliver additional support for the education sector. Following on last year's announcement concerning the expansion of free childcare, The Early Years Alliance called on the Government to commit to further increase in early years investment to enable providers to meet rising cost pressures, and ensure providers could deliver the childcare expansion. Moreover, Association of School and College Leaders called upon the Government to deliver additional support for SEND provision in Schools.

Thereafter, in today's Spring Budget the Government arguably delivered as they committed to an extra £105m to support SEND schools and they guaranteed the rates to be paid to child care providers for the next two years to ensure that 60,000 parents can get into work. This coupled with additional support for skills and apprenticeships in AI, Creative Industries and Advanced Manufacturing perhaps elucidates a greater focus on education and skills compared to the prior Autumn Statement.

Children's social care

- The Government announced that they will provide £45m match funding to local authorities to build an additional 200 open children's home placements and £120m to fund the maintenance of the existing secure children's home estate.
- Moreover, they will develop proposals on what more can be done to combat profiteering, bring down costs, and create a more sustainable market for residential placements which it will publish later this year.

SEND support

- The Government will invest £105m as initial investment to fund an additional wave of 15 special free schools.

Free schools

- The Government will confirm the location of 20 alternative provision free schools in England as part of the Spending Review 2021 commitment to invest £2.6bn capital in high needs provision.

Childcare

- The Government will confirm that the hourly rate providers are paid to deliver the free hours offered for children aged 9 months to 4 years will increase in line with the metric used at Spring Budget 2023 for the next two years. This represents an estimated additional £500m of investment over two years.

University spin outs

- The Government will ask universities to report on their spin-out policies by the end of May 2024 and has also begun consulting on the design of the new £20m proof-of-concept fund and the pilot approach to supporting the establishment by universities of shared Technology Transfer Offices.

Apprenticeships and skills

- The Government has confirmed plans for the £50m Apprenticeship Growth Sector pilot, which will boost funding for eligible providers delivering 13 high-value apprenticeship standards in advanced manufacturing, green and life sciences sectors.
- Moreover, the Government is committed to developing the emerging talent of the British film industry and will fund the National Film and Television School (NFTS). This will allow up to 200 new apprenticeship places per year; new cutting edge courses including the use of AI; and improve facilities for students with physical disabilities.
- The Government will deliver a new £7.4m AI Upskilling Fund pilot that will help SMEs develop the AI skills of the future.

Energy and Environment

The build up to the Spring Budget was awash with rumours of discontent within the Scottish Conservative Party around the potential extension of the Energy Profit Levy (EPL). At least SNP Westminster Leader Stephen Flynn was able to crack a rare smile at PMQs when asking Prime Minister Rishi Sunak if his policies were turning Conservatives to Scottish nationalists. The Chancellor did in fact extend the sunset of the EPL for a year, but attempted to ensure continued confidence from the oil and gas industry by promising additions to the Finance Bill that could end the EPL early if energy prices return to their normal levels.

There were some positives announced for the energy sector. £120m of extra funding for the Green Industries Growth Accelerator will not go amiss for many involved in renewables. Moreover, the Government will hope their commitments around grid connections, planning reform and new parameters for the Contracts for Difference scheme will create confidence in the UK energy market and stimulate significant private sector investment. However, there was no movement on equalising electric vehicle charging VAT, with those who charge their EVs at public charge points still charged more.

Following a rare appearance from a sitting Prime Minister at the NFU Conference, the Government offered some further reform in the agricultural sector. However, altogether for environmentalists and the environment this was not an inspiring series of announcements.

Oil and gas windfall tax

- The Government is extending the Energy Profits Levy (EPL) to the end of March 2029.
- However, the Government has committed to provide a mechanism in legislation through the Finance Bill to ensure that the EPL will not apply if prices fall below the levels set by the Energy Security Investment Mechanism.

Grid connections and planning

- The Government will publish a consultation on the proposed design of the new accelerated planning service.
- It will publish measures to constrain the use of extension of time agreements, aiming to identify excessive use of these by local planning authorities.
- It will reform the consenting process for Nationally Significant Infrastructure Projects (NSIPs.) This includes publishing a response to the consultation on the operational reforms to the NSIP consenting process and the updated National Networks National Policy Statement.
- The Government will implement a new connections process from January 2025.
- It will work with the Electricity System Operator (ESO) to offer further reforms to the queue process for grid connections by Summer 2024.
- The Government will establish the National Energy System Operator (NESO) in 2024.
- It will publish new community benefits guidance by June.

Agriculture and agrifood

- The Government will extend the scope of agricultural property relief from 6 April 2025.
- This will now include land managed under an environmental agreement with the UK Government, the Devolved Administrations, public bodies, local authorities, or approved responsible bodies.
- This corresponds with the publication of a consultation response on the taxation of environmental land management and ecosystem service markets.
- The Government will establish a joint HMRC and Treasury working group to find resolutions and further clarity on the tax treatment of ecosystem service markets.
- The Government will invest £5m over the next three years in an agri-food Launchpad in Mid and North Wales.
- The Government reiterated its commitment of £427m of funding towards grants for agricultural innovation and productivity. £75m of this will go towards Internal Drainage Boards to invest in water and flood management.

Green Industries Growth Accelerator

- The Government is increasing the Green Industries Growth Accelerator (GIGA) budget by up to £120m.
- Up to £390m of the GIGA funding is expected to go to supply chains for offshore wind and electricity networks.
- Up to £390m is expected to go to supply chains for Carbon Capture Utilisation and Storage and hydrogen.

Contracts for Difference

- The Government has published the full parameters for the Contracts for Difference Allocation Round 6.
- It has set a budget of over £1bn for this round.

Nuclear power

- The Government has reached a £160m deal with Hitachi to purchase the Wylfa site in Ynys Môn and the Oldbury-on-Severn site in South Gloucestershire.
- The Government will move to the next stage of the Small Modular Reactor (SMR) competitive process.

Waste

- The Government will adjust Landfill tax rates for the year 2025-26.
- The standard rate of Landfill tax will increase to £126.15 per tonne and the lower rate will increase to £4.05 per tonne.

Water and nutrient mitigation

- The Government has committed to deliver water saving measures in Cambridge, believed to unlock the construction of more than 9,000 homes.

- The Government is publishing an Expression of Interest for the second round of the Department of Levelling Up, Housing and Communities Local Nutrient Mitigation Fund.

Energy and cost of living

- The Government has reiterated its commitment to remove the prepayment metre (PPM) standing charge.
- The Government is examining the findings from the West Midlands SME Business Energy Advice Service pilot, with the potential to expand the scheme across the country.

Carbon Credits and ESG

- The Government will include bringing trades in carbon credits into the scope of the Terminal Markets Order.
- The Government will regulate providers of Environmental, Social and Governance (ESG) ratings to users within the UK.
- Rating providers will be brought into the scope of the FCA.

Using data powers

- The Government will provide consultations and calls for evidence for energy to maximise the benefits of the Data Protection and Data Information Bill Smart Data powers.

Reform to regulators

- The Government has reiterated its commitment to extend the Growth Duty to Ofwat and Ofgem.
- It will publish refreshed guidance on the Growth Duty.
- It will also publish a Regulator Performance Framework shortly.

Green Future Fellowships

- The Government will provide endowments to the royal society and Royal Academy of Engineering to provide the £150m Green Future Fellowships.

Health and Social Care

The additional £2.5bn announced for the NHS will be a welcome relief for health leaders who have just struggled through the winter while dealing with the financial and operational cost of protracted industrial action. The Chancellor said this chunk of funding was intended for day-to-day spending, and to help NHS cut waiting lists, but today's news of a potential breakthrough in the hospital consultant's pay dispute, means that some money will have to be allocated towards pay rises. Negotiations between the Government and the junior doctors are currently in deadlock, meaning the NHS will not see an end to strike action in the immediate future.

Health leaders often complain that the Government always gives the NHS last minute funding to keep it from collapsing, but the health service doesn't get the long-term funding settlement it needs to invest in crumbling services. Given that his tax cuts are funded by a further squeeze on public services, Hunt has made improving public sector productivity a theme of this year's budget. He has allocated £3.4bn towards helping the NHS to develop its digital capabilities, which should make the health service more efficient in the long run.

On public health, Hunt has introduced a new levy on vaping as well as increasing the levy on tobacco, with funds raised purportedly going towards the NHS. Alcohol duty will remain frozen, pleasing the hospitality industry, but disappointing those who campaign on alcohol harms.

NHS productivity

- The Government is allocating an additional £2.5bn to NHS England for 2024-25, in order to protect day-to-day spending and reduce waiting times.
- Alongside this, the Government will also invest £3.4bn to make productivity improvements in the NHS. This funding will aim to; (1) make the NHS App the single front door through which patients can access NHS services and manage their care; (2) create digitally-enabled prevention and early intervention services; and (3) deliver an improved online experience for patients.
- £430m will be invested to transform access and services for patients, giving them more choice and the ability to manage and attend appointments virtually.
- £1bn will be invested to transform the use of data to reduce time spent on unproductive administrative tasks by NHS staff, enabling more than £3bn of savings over five years. This includes: pilots to test the ability of Artificial Intelligence (AI) to automate back office functions; providing all NHS staff with digital passports and access to a new NHS Staff App and nn acceleration of the Federated Data Platform (FDP).
- £2bn will be invested to update fragmented and outdated IT systems across the NHS, reducing 13m hours wasted by doctors every year and enabling up to £4bn of savings over five years. These steps will include: upgrading IT systems, scaling up existing use of AI and ensuring all NHS staff are equipped with modern computing technology;

ensuring all NHS Trusts have Electronic Patient Records by March 2026; upgrading over one hundred MRI scanners with AI; and digitising transfers of care.
- The Government will work with NHS England to reduce the cost of expensive agency staffing. NHS England will review agency price caps and tighten rules.

Maternity services
- The Government and NHS England will invest £35m over the next three years to improve maternity safety, with specialist training for staff and additional midwives.
- An additional 6,000 midwives will be trained in neonatal resuscitation.
- The Government will invest £9m over three years to roll out the Avoiding Brain Injuries in Childbirth programme across maternity units in England.

Public health
- The Government will introduce a new duty on vaping products from October 2026, with registrations for the duty opening from 1 April 2026. The rate will vary depending on nicotine strength. A 12-week consultation has been launched.
- The Government will close the Alcohol Duty Stamps Scheme following a review by HMRC.
- The Government will freeze alcohol duty until February 2025.

Life sciences
- A new life sciences hub and healthcare diagnostic facility will be built in Canary Wharf as part of a £118m Government investment.

Social care
- The Government has confirmed the additional £500m of new funding for councils to support adult and children social care.

Home Affairs and Justice

Announcements in relation to home affairs and justice were plentiful in this year's Spring Budget, and with the Government's previous commitment to digitise and modernise the courts and tribunals system, the measures included will be welcomed by many. For courts, funding has also been confirmed that will enable the scope of legal aid to encompass early legal advice in private family law proceedings.

Announcements in relation to the digitisation of policing will also be welcomed, with the focus on using AI to maximise productivity, catch violent crimes quicker, and to ultimately free up police time to solve more crimes.

However, despite more announcements than usual, there have been numerous calls for the Government to place ending violence against women and girls as a central priority in this year's spending plans. This is something that has been noticeably missed in this year's Spring Budget. However, it should be acknowledged that Hunt did include a measure that will help provide greater specialist support to survivors of domestic abuse.

AI in policing, crime and violence

- The Government is providing £230m for police forces to put towards innovations such as live facial recognition, automation and the use of drones as first responders.
- The Government will establish a Centre for Police Productivity to support police forces with their use of data and implement new technology.
- The Government is announcing £34m to expand the Public Sector Fraud Authority.
- The Government is spending £75m to expand the VRU model across England and Wales, supporting a prevention first approach to serious violence.

Digitisation and modernisation of the HM Courts & Tribunal Service

- The Government will work to improve the experiences of the courts for victims and survivors of domestic abuse through the Private Law Pathfinder Pilot - this will identify needs earlier and provide support to victims and survivors of domestic abuse.
- The Government is investing £12m to expand the scope of Legal Aid for early legal advice in private family law proceedings for parties considering an application to the family court for child arrangements.
- The Government will introduce the Bail Information Service to all courts.
- The Government is investing £16m to increase prison workshop activity.
- The Government will utilise AI to reduce the need for manual scanning of paper documents through the introduction of Intelligent Document Processing technology in the administration of court cases.
- The Government will invest a further £6m of additional funding for digitisation of key services in prisons.
- The Government will introduce a new offender risk management tool.

- The Crown Prosecution Service will receive £10m of additional funding to digitise jury bundles in the criminal courts.
- The Government will introduce a new online information and guidance tool to support earlier resolution of family disputes and divert cases away from the family courts, where appropriate.

Economic Crime Levy

- From 1 April, the rate at which entities with UK annual revenue greater than £1bn, and which are regulated for AntiMoney Laundering purposes, will pay the Economic Crime Levy will increase from £250,000 to £500,000 per annum.

Housing

Those hoping for mentions of a 99% mortgage scheme, stamp duty relief for downsizers, or the removal of the withdrawal penalty on Lifetime ISAs will be disappointed. The failure to act on stamp duty has already drawn criticism from the sector, with some saying it's a missed opportunity to provide support to a fragile housing market.

Hunt instead chose to abolish multiple dwellings relief, available for people who buy more than one residential property at a time. He claimed the measure was being 'regularly abused'. It was initially introduced to remove barriers to property investment into property, and will likely affect larger landlords and the buy-to-let sector the most. Hunt also decided to respond to the calls to address the housing affordability crisis by scrapping tax breaks for short-term lets, something MPs in tourist hotspots such as Cornwall and London have been campaigning for.

Housing supply

- The Government is investing £124m at Barking Riverside to unlock 7,200 homes.
- The Government is investing £118m in the Canary Wharf scheme. This will deliver a life sciences hub, commercial and retail floor space, a healthcare diagnostic facility and up to 750 homes.
- The Government is investing £20m in a social finance fund to support the development of community-led housing schemes over ten years.
- Alongside the Budget, the Government is publishing its vision for transforming Leeds, to unlock 20,000 new homes.
- The Government is establishing the Euston Housing Delivery Group with £4m to support plans to deliver up to 10,000 new homes.
- Cambridge will receive a long-term funding settlement at the next Spending Review. The Government is on track to deliver a set of water savings measures that could unlock 9,000 homes in Cambridge.

Planning

- The Government is publishing an Expression of Interest for round two of the DLUHC's Local Nutrient Mitigation Fund.
- The Government will match industry funding of £3m for planning capacity and resourcing in the next Spending Review period.
- The Government will consult on the proposed design of the new accelerated planning service as well as new measures to constrain the use of extension of time agreements and identifying local planning authorities who are excessively using them.

Tax

- From 6 April 2024, the higher rate of Capital Gains Tax for residential property disposals will be cut from 28% to 24%. The lower rate will remain at 18% for any gains that fall within an individual's basic rate band. Private Residence Relief will continue to apply.
- The Government will abolish the Furnished Holiday Lettings tax regime, effective from 6 April 2024. Legislation will be published in due course.

- The Government will abolish Stamp Duty Land Tax (SDLT) relief for people who purchase more than one dwelling in a single transaction, known as multiple dwellings relief. Property transactions with contracts that were exchanged on or before 6 March 2024 will continue to benefit from the relief regardless of when they complete, as will any other purchases that are completed before 1 June 2024. The Government will be consulting the agricultural industry to discuss potential impacts.
- From 6 March 2024 registered providers of social housing in England and Northern Ireland will not be liable for SDLT when purchasing property with a public subsidy and public bodies will be exempted from the 15% anti-avoidance rate of SDLT.
- From 6 March 2024, the rules for claiming First-Time Buyers' Relief from SDLT in England and Northern Ireland will be amended so that individuals buying a leasehold residential property through a nominee or bare trustee will be able to claim First-Time Buyers' Relief.
- The percentage of a replacement home that local authorities can fund from Right to Buy receipts will be increased from 40% to 50%.
- The Government is extending the existing scope of agricultural property relief from 6 April 2025 to land managed under an environmental agreement with, or on behalf of, the UK Government, Devolved Administrations, public bodies, local authorities, or approved responsible bodies.

Levelling Up and Devolution

This year’s Spring Budget has seen extra funding allocated to all of the devolved administrations, something that would seem particularly helpful for the reconvened Northern Ireland Assembly. However, the amount of funding could be contested following previous calls for the British Government to provide ‘fair funding’ following the £3.3bn package for the re-established administration. Moreover, the funding announced largely focuses on cultural and heritage areas of development.

In the Autumn Statement, the Chancellor focused on tax cuts, leaving local and public services in a difficult position. Consequently, it has become increasingly apparent that local services are struggling with several local authorities having issued section 114 bankruptcy notices this financial year. The Government has made some efforts here by topping up local Government budgets by a further £600m in January. However, aside from funding allocation for councils in areas such as culture and heritage projects, this year's Spring Budget will have brought little encouragement that these bigger financial difficulties could be overcome or even eased.

Digitisation of local plans

- A new pilot will use AI to help speed up development of local plans. In addition, new software will be explored to assist planning officers.

Levelling up and regeneration

- The Government is announcing investment of £118m for the delivery of the Canary Wharf scheme. This will deliver a life sciences hub, commercial and retail space, a healthcare diagnostic facility and up to 750 homes.
- The future development corporation in Cambridge will receive a long-term funding settlement at the next Spending Review. The Government is providing an additional £7.2m for transport connections between the Cambridge Biomedical Campus and the city, and making £3m available for Cambridge University NHS Trust to support plans for growth.
- The Government is also on track to deliver a set of water saving measures which if delivered as planned could unlock more than 9,000 homes in the Cambridge area.
- The Government is publishing an Expression of Interest for round two of DLUHC’s Local Nutrient Mitigation Fund.
- The Government will match industry-led funding of £3m for planning capacity and resourcing in the next Spending Review period.
- The Government is investing £23.7m across two shovel-ready capital projects in Bradford and Ashfield, to support regeneration in places across England.
- The Government is providing £6m of funding for work with the King’s Foundation to pilot how community led regeneration projects anchored around heritage assets and sustainability considerations can complement government’s wider place-based initiatives.

- The Government is confirming the allocation of £100m of funding for culture projects (subject to business case). This will support a combination of nationally-significant cultural investments such as the British Library North in Leeds, National Railway Museum in York, and National Museums Liverpool, as well as the development of cultural projects in places previously prioritised for levelling up investment but which have not to date received levelling up funding, including in High Peak, Redditch and Erewash.

Investment zones and freeports

- The Government has announced further details on Investment Zones in Greater Manchester, Liverpool City Region, North East of England, South Yorkshire, West Midlands and West Yorkshire.
- The Government has also confirmed that the Tees Valley Investment Zone will focus on the digital and creative sectors.
- Investment Zones will be extended from five to ten years in Scotland and Wales, matching the extension announced for England at Autumn Statement 2023. Full details of the four Investment Zones in Scotland and Wales will be announced later this year.
- The Government has published the prospectus for the Investment Opportunity Fund.

Devolution deals

- The devolved administrations are now receiving £560m in additional funding in 2024-25.
- The Scottish Government is receiving around £295m extra; the Welsh Government around £170m; and the Northern Ireland Executive around £100m.
- The Government has agreed a 'trailblazer' devolution deal with the North East Mayoral Combined Authority.
- The Government is committing £2m to boost global investment and trade opportunities for Northern Ireland.
- At Autumn Statement 2023, the Government offered Level 2 devolution powers to some councils which cover a whole county or functional economic area. The Government has finalised the first of these agreements with Surrey County Council, Buckinghamshire Council and Warwickshire County Council.
- The Government has announced £15m of funding for the West Midlands Combined Authority to support culture, heritage and investment projects in the region, subject to a business case. £10m to support culture and heritage projects, £5m to drive inward investment in the region.
- The Government will provide £1.6m for Theatr Clwyd in Wales, subject to business case approval.
- The Government will work with the cities yet to receive an allocation – Perth and Dunfermline – to invest a shared £10m for cultural investment.
- The Government has confirmed the additional £500m of new funding for councils to support adult and children social care.

Towns and villages

- The Government announced £400m to extend the Long-Term Plan for Towns to a further twenty places across the UK:
  - -Royal Sutton Coldfield
  - -Darlington
  - -Runcorn
  - -Canvey Island
  - -Thetford
  - -King's Lynn
  - -Ramsgate
  - -Eastbourne
  - -Harlow
  - -Newton-le-Willows
  - -Rawtenstall
  - -Wisbech
  - -Carlton (Gedling)
  - -Bedworth
  - -Arbroath
  - -Peterhead
  - -Kirkwall
  - -Rhyl
  - -Derry/Londonderry
  - -Coleraine
- The Government is providing an additional £5m for the Platinum Jubilee Village Halls Fund.

Science, Innovation and Technology

Over a year on from the creation of the Department for Science, Innovation and Technology, the Government's Spring Budget arguably represented the Government doubling down on their support for the newly created Department. This is evident from an increasing Government focus on Artificial Intelligence through the AI Safety Summit and establishment of the AI Safety Institute following the Autumn Statement.

In this sense, the Spring Budget saw more of the same as the Government announced a new £7.4m AI Upskilling Fund; £45m through the Medical Research Charities Early Career Researchers Support Fund; and an extra £100m to the Turing Institute over the next five years, among other proposals. Additionally, the announcement of the £250m Faraday Discovery Fellowships and £150m Green Future Fellowships through endowments to the Royal Society and the Royal Academy of Engineering only further exemplifies the Government's continued support for and focus on science, innovation and technology

Boosting investment

- The Government will publish the summary of responses to a 2023 consultation on the scope and design of a tax regime for a new UK investment fund vehicle: the Reserved Investor Fund (Contractual Scheme) (RIF).
- The Government will publish draft legislation on an extension of full expensing to assets for leasing shortly.

Science and Innovation

- The Government will deliver £250m Faraday Discovery Fellowships and £150m Green Future Fellowships through endowments to the Royal Society and the Royal Academy of Engineering.
- The Government will allocate £14m for infrastructure used by public sector research and innovation organisations.
- The Government will confirm up to £100m to launch the national component of the full £160m CLEO programme, which will enable UK researchers and businesses to perform the research and development needed for the next generation of satellite constellations.
- The Government will allocate £1.6m in 2024-25 to an error correction programme in quantum computing.
- HMRC will establish an expert advisory panel to support the administration of the R&D tax reliefs. The panel will provide insights into the cutting-edge R&D occurring across key sectors such as tech and life sciences, and work with HMRC to review relevant guidance, ensuring it remains up to date and provides clarity to claimants.
- The Government will ask universities to report on their spin-out policies by the end of May 2024 and has also begun consulting on the design of the new £20m proof-of-concept fund and the pilot approach to supporting the establishment by universities of shared Technology Transfer Offices.

- The Government will distribute £10m of funding to SaxaVord Spaceport to support orbital launch in 2024. This is subject to due diligence.
- The Government will invest £5m over the next 3 years in an agri-food Launchpad in Mid and North Wales.

Digital technology and AI

- The Government confirmed that it will later this year set out how access to the UK's public computer facilities will be managed.
- The Government will provide a progress update on recruitment and safety testing of the AI Safety Institute.
- The Government will deliver a new £7.4m AI Upskilling Fund pilot. This will help SMEs develop the AI skills of the future.
- The Government will shortly launch the SME Digital Adoption Taskforce, which will investigate how best to support the adoption of digital technology by SMEs.
- The Government will introduce two new data pilots to drive high quality AI in education and improve access to data in adult social care for a total of £3.5m.
- The Government will confirm the design details of the data research cloud pilots announced last year.
- The Government will deliver up to £100m to the Turing Institute over the next five years.

Life Sciences

- The Government will announce that funding competitions for large scale investments will open for expressions of interest this summer with a separate competition for medium and smaller sized companies opening in the Autumn.
- Moreover, the Government will provide £45m through the Medical Research Charities Early Career Researchers Support Fund.

Support for Advanced Manufacturing

- The Government has confirmed plans for the £50m Apprenticeship Growth Sector pilot. This will boost funding for eligible providers delivering 13 high-value apprenticeship standards in advanced manufacturing, green and life sciences sectors.

Transport and Infrastructure

Despite a lot of big demands from net zero targets, this year's Spring Budget largely failed to mention anything about electric vehicles (EVs) apart from the Government's manufacturing programme 'Auto2030'. For example, many organisations had called to make EV taxes higher, although still set lower than the equivalent in fuel duty, as to incentivise the uptake of cleaner vehicles.

In terms of public transport, there was no specific mention of investment in local bus services. Additionally, besides the private financing for the HS2 Euston station, the HS2 project went almost completely unmentioned. The projects that were meant to be funded by the redirected money, such as Network North and Northern Powerhouse Rail, were also both missed out at this year's Spring Budget.

On the other hand, following much speculation, the Chancellor announced the extension of a fuel duty freeze for a further 12 months. Rail also won some large investments, such as in East-West Rail and East Coast mainline services. The Government also announced a cut in the rate of Air Passenger Duty (APD) for non-economy passengers, yet rates will remain frozen for those in economy on domestic or short-haul flights.

Rail

- The Government is working to accelerate the delivery of works on the Bletchley to Bedford section of East-West Rail. This will be supported by £240m (from existing budgets), with services operating between Oxford and Bedford by the end of the decade.
- The Government will be delivering on the benefits of a £4bn investment programme to increase capacity and improve rolling stock, by upgrading the timetable on the East Coast mainline from December 2024, adding extra services with 16,000 seats and reducing journey times between London and Yorkshire, Newcastle, the North East and Edinburgh.
- The Government is also establishing a Ministerial Taskforce to oversee the next stages of delivery of a privately financed HS2 Euston station- working with Lendlease, the Euston Master Development Partner, and the London Borough of Camden to progress these plans.

Local transport

- In April, the Government will launch its Investment Zones programme, and will be investing £4.7bn in long-term funding settlements for places outside city regions in the North of England and the Midlands, which will help to support local transport priorities.
- The Government has announced it will be investing £8.3bn in local roads over the next 11 years to fill millions of potholes and resurface roads, repair bridges, and deliver vital local road upgrades across England.

- The Chancellor confirmed there will be a long-term funding settlement for the future development of Cambridge, with £10.2m invested in the coming year. £7.2m of this will be used for local transport; this will improve timetables, reduce journey times, deliver better performance and better connect the Cambridge Biomedical Campus when the new Government-funded station at Cambridge South opens in 2025.
- The Government is providing targeted funding for consultations and calls for evidence to accelerate schemes in energy and transport.

Electric vehicles

- The Government will ensure a seamless transition to the Auto2030 programme, aimed at zero emission vehicles manufacturing and their supply chains.

Aviation

- The Government is making a one-off adjustment to rates of Air Passenger Duty (APD) on non-economy passengers to account for high inflation in recent years and help to maintain the value of APD in real terms.
- For those in economy on domestic or short-haul flights, rates will remain frozen.

Fuel duty freeze

- The Government is maintaining the rates of fuel duty at the current levels for a further 12 months, extending the temporary 5p cut and cancelling the planned increase in line with inflation for 2024-25. This will save the average car driver £50 in 2024-25.

Private hire vehicles

- The Government will launch a consultation on the impacts of the July 2023 High Court ruling in *Uber Britannia Ltd v Sefton MBC* in April. The Government wants to ensure that this court ruling does not have any undue adverse effects on the private hire vehicle sector and its passengers.

Welfare

Tackling economic inactivity through welfare reform was a big focus of the Autumn Statement last year, whereas for this year's Spring Budget welfare seems to be more of an afterthought. The headline announcement is Jeremy Hunt's proposed reforms to try and make the child benefit system fairer. At the moment, the threshold at which child benefit starts to be withdrawn is when one parent earns over £50,000 per year - this means a household where both parents earn £49,000 would get the full amount, but a single parent who earned £50,000 would receive less. The Chancellor said the current system was unfair, and proposed reform to take into account household income by 2026. In the meantime, he lifted the upper thresholds to provide some relief to parents who are struggling with the cost of living.

Benefits

- The Government is committing £17m to DWP's digital transformation, replacing paper-based processes with simplified online services.
- The Government is allocating additional funding that will increase system capacity to deal with the increased volumes of disability benefit claims.
- The Government will extend the maximum repayment period on new budgeting advance loans for people on Universal Credit, from 12 months to 24 months.
- The Government will extend the duration of the Additional Jobcentre Support pilot across England and Scotland for a further 12 months.

Child benefit

- The Government will increase the threshold for paying the high income child benefit charge from £50,000 to £60,000. They will also raise the upper threshold so that child benefit is not fully withdrawn until an individual is earning £80,000 or higher. The Government will consult on administering child benefit on a household rather than an individual basis by April 2026.

Household Support Fund

- The Government is providing an additional £500m to enable the extension of the Household Support Fund in England from April to September 2024.

Stakeholder Reaction

NHS England

'Today's announcement shows the government continues to back the NHS and the £2.45bn of extra funding for next year ensures we have the support we need to make continued progress on our key priorities for patients.Adopting the latest technology is already having an impact on the way we deliver services for patients – including getting your prescriptions on the NHS App and virtual wards which let people recover at home. The significant £3.4bn investment in capital to fund new technology means the NHS can now commit to deliver 2% annual productivity growth in the final two years of the next Parliament, which will unlock tens of billions of savings'.

Amanda Pritchard, Chief Executive, NHS

Creative UK

'We're delighted to see support for independent film announced, in the shape of a new UK Independent Film Tax Credit for films with budgets up to £15m. Scrapping the 80% VFX cap will make a real difference when it comes to incentivising UK production, and the increase in the rate of tax credit by 5% is a positive step forward.

We're also pleased to see the tax relief for Orchestras, Theatre, Museums and Galleries made permanent. Non-touring theatre productions and museum/gallery exhibitions will benefit from a permanent relief rate of 40%. In addition to this, touring theatre productions and exhibitions, and all orchestra productions will also now benefit from a permanent relief rate of 45%.'

Caroline Norbury OBE, Chief Executive, Creative UK

ipse

'Today's Budget was an encouraging sign that the Chancellor is beginning to listen to the self-employed. But despite the welcome cut to National Insurance and the raising of the VAT threshold, the measures failed to address the substantive issues holding the self-employed back, from IR35 to the looming cost of Making Tax Digital. It's positive that the Chancellor has heeded IPSE's call to raise the VAT registration threshold. This increase, whilst modest, will alleviate a barrier to the growth of our smallest businesses and it is encouraging to see the Chancellor recognise that in today's Budget.'

Andy Chamberlain, Director of Policy, IPSE

'Though the Chancellor's announcements on benefit loans and debt relief are small steps in the right direction, The Salvation Army warns these are not enough to address the problems that push people into poverty and homelessness. We are also worried that today's announcements will lead to cutting back on essential public services, which will remove the safety net for anyone who falls on hard times. Homelessness services are already in crisis as local authority resources have been severely eroded by rising costs and increased demand.'
Lieutenant Colonel Dean Pallant, The Salvation Army

''From a housing perspective, this was a disappointing budget. Given the significant housing crisis that we're currently navigating there was no mention of the urgent action needed to address this.There were some welcome announcements to help support people in debt, such as the temporary extension of the Household Support Fund, which we had called for, and the abolition of the Debt Relief Order charge, but they won't bring down rising housing costs. In our pre-Budget submission we called for urgent action to boost social housing supply, invest in homelessness prevention and decarbonise the residential sector. These calls remain and we'll continue to push the government to go further. We need a sustainable housing system to support a vibrant economy'.
Gavin Smart, Chief Executive, Chartered Institute of Housing

'We are pleased the Chancellor has extended the Household Support Fund (HSF), which has helped millions of households facing hardship. It is disappointing that we had to wait until the very last minute for an extension, and that it is only for a short period. It is disappointing that the Government has not announced measures to adequately fund the local services people rely on every day. Councils continue to transform services but, given that core spending power in 2024/25 has been cut by 23.3 per cent in real terms compared to 2010/11, it is unsustainable to expect them to keep doing more for less in the face of unprecedented cost and demand pressures'.
Cllr Shaun Davies, Chair, Local Government Association

'Today the Chancellor supported people in the most dire situations by abolishing fees for Debt Relief Orders. These unaffordable fees have priced people out of getting the support they need as 9 in 10 people with a DRO struggled to pay the upfront cost. The Chancellor's action is very welcome and will mean more people can find a way out of debt. But we're expecting this year to be just as tough, if not worse, than the last 18 months for many. Millions of households are living on empty and simply can't afford to heat their homes or put food on the table. While it's also welcome that the Household Support Fund has been extended by six months, this is only a temporary fix. We need to see a longer-term commitment to ensure this vital fund doesn't abruptly dry up in the future'.
Dame Clare Moriarty, Chief Executive, Citizens Advice

'While it is true that the Government increased funding for Local Authorities by 7.5% earlier this year, it falls short of the costs adult social care providers will incur this coming financial year, such as the 9.8% increase in the national minimum wage. This makes it highly unlikely that Local Authorities will be able to pay fees which sufficiently cover the cost of care, leaving providers to foot the bill. Indeed, this is already playing out, with some Local Authorities shockingly offering 0% fee increases to care providers.During the Sector Pulse Check survey, providers told us that, as a consequence of cost pressures, they have had to hand back contracts, offer care to fewer people and, in some cases, have considered exiting the market altogether. This uncertainty is simply not acceptable.'
Steve Veevers, CEO, Hft

'It will be a relief for people that they will be able to continue to receive emergency support through the Household Support Fund. But the six month extension does nothing to address what causes financial insecurity in the first place. The reduction in National Insurance will not benefit those on the lowest incomes. What we need is a comprehensive overhaul of the relationship between our welfare system and its beneficiaries. Such reform should begin with adjusting benefits to adequately cover essential living costs and abolishing punitive, ineffective measures like the two-child limit and sanctions.'
Thomas Lawson, CEO, Turn2us

'First and foremost, business was hoping for a Budget that would maintain a stable and credible policy framework for business. The Chancellor largely delivered that. However, beyond that, there was little in the announcements that can be regarded as a game-changer for business. The Chancellor rightly acknowledged that skills and labour shortages are a major problem for many UK enterprises. Although cuts to national insurance and boosts to child benefit provision may attract some people back into the workforce, the Budget offered little to address the economy's deep-seated skills gaps. This was a major omission and business will be looking to a future government to urgently address this issue.'

Dr. Roger Barker, Director of Policy, Institute of Directors

'The Budget could have been an opportunity to kickstart the housing market with house building rates stagnant, but the Chancellor has done nothing. It was also disappointing there were no new measures to help homeowners improve the energy efficiency of their homes. This was an opportunity to reform the planning system, boost local authority planning teams' capacities, and review the financial burdens the planning system places on smaller house builders, but again these much-needed reforms have been overlooked.'

Brian Berry, Chief Executive, Federation of Master Builders

'As an organisation whose purpose it is to support people into a home of their own, we are disappointed that the Chancellor hasn't announced any substantial measures to support first-time buyers in today's Spring Budget. Nationwide continues to call for a government-commissioned, independently-chaired review of the first-time buyer market – this is needed to help the Government produce a sustainable long-term strategy to support people hoping to purchase a property'.

Henry Jordan, Director of Home, Nationwide

'It is disappointing that today's Budget provides little additional support for early years and education. If the government is serious about delivering a world-class education for all, it needs to prioritise spending in the early years, targeted to families who need it the most, as well as a sufficiently funded high quality universal offer. It also needs to prioritise funding for disadvantaged pupils in schools and colleges. The increase to the child benefit threshold is a positive step but there is an urgent need for a cross-government child poverty strategy which recognises the root causes of education inequalities such as poverty, housing, healthcare, transport, and many other aspects of daily life'.
Natalie Perera, Chief Executive, Education Policy Institute

'Local government was not entirely absent from today's Budget. Headline announcements included a trailblazer devolution deal for the North East, devolution deals for Buckinghamshire, Warwickshire and Surrey, new Investment Zones and a series of funding deals to support housing. These will no doubt be welcome in those areas that receive them, but the Chancellor did not address the systemic funding issues in local government. The Chancellor recognised market failures in children's residential care and SEND support but councils will not feel that this is enough to counteract the cost increases they have faced in those areas. Similarly many in local government will note that the Chancellor's emphasis on public sector productivity is not reciprocated by removing some of the onerous funding hoops that councils have to jump through'.
Dr Jonathan Carr-West, Chief Executive, Local Government Information Unit (LGIU)

'The focus on pre-election giveaways meant this Budget fell short of what Britain needs to grow. Reviews of productivity, pledges when resources allow and constant chopping and changes on tax just don't cut it. The package of reforms for pension funds and savers was a bright spot that will help unlock a much-needed capital boost into British business.But the failure to provide Transport for London with a multi-year funding deal on a par with other city regions was a missed opportunity to spur growth both in the capital and across its UK-wide supply chain'.
John Dickie, Chief Executive, BusinessLDN

'The Chancellor is leaving the poorest families out in the cold with his Spring Statement. The 4.2 million children living in poverty, one million of whom are destitute, continues to be a black mark for this Government. Benefit payments are at the lowest level in years and we fear threats of increased sanctions. While we warmly welcome the significant changes to child benefit and the extension of the Household Support Fund, more investment is needed in social security and the early years sector to support the country's most vulnerable children'.
Becca Lyon, Head of UK Child Poverty, Save the Children

'Yet another Budget that largely ignores the dangers of climate breakdown, and yet another missed opportunity to properly invest in building a strong, clean and prosperous future. The UK's failure to match the US and EU, who are leading the charge with billions of pounds of green investment, will cost this country jobs and future prosperity. We need a Chancellor for the future, not one stuck in the past. Money spent on renewables, home insulation and better public transport would not only boost the economy; it would also protect health, slash energy bills and help the UK play its part in the fight against the growing climate crisis'.
Mike Childs, Head of Policy, Friends of the Earth

'The chancellor had a key opportunity to put NHS finances back on track today after a year in which high inflation, disruptive industrial action, and rising demand for care have left gaping holes in trust budgets. After dire warnings of NHS spending cuts earlier this week, today's announcement of an extra £2.5bn for day-to-day NHS spending will offer much needed - but temporary - respite from these financial pressures. It's vital we get public finances on a stable footing so that the public get the health and social care services they deserve'.
Sir Julian Hartley, Chief Executive, NHS Providers

'Today, the Chancellor of the Exchequer, Jeremy Hunt has delivered his Spring Budget before Parliament with very few announcements to support those with mental health support needs. Whilst any additional funding for the NHS will alleviate some of the pressure placed on services, it's unclear what proportion of funding will be allocated to mental health services at a time when additional resource is crucial to enable services to flourish.We are hopeful that any future budget will take a greater focus on mental health, recognising the importance of the support offered by mental health services and the pressures faced by evolving pathways and expanding responsibilities'.
Jane Hughes, Chief Executive Officer, Mental Health Matters

'The Government has listened to the energy industry about the need to deliver on the country's ambitions for low carbon power with plans to deliver greater capacity from established renewables technologies like solar, onshore and offshore wind, as well as investing in new, emerging technologies like tidal, geothermal and floating offshore wind. It's particularly welcome that the Government has recognised the economic and market conditions facing offshore wind developers. A big increase in the budget for AR6 means investing more in homegrown sources of clean power that will bolster our energy security and reduce emissions – and bring wider economic benefits across the country'.
Emma Pinchbeck, Chief Executive, Energy UK

'Businesses recognise that the Chancellor had to perform a tricky 'high wire balancing act' of giving momentum to the economy without sacrificing hard-earned progress on bringing down inflation. Doing that successfully meant focusing on the horizon ahead – and the Chancellor is right to keep his gaze fixed on the structural challenges facing the UK economy'.
Rain Newton-Smith, Chief Executive, CBI

'The aspiration to earmark £3.4bn for investment in technology in the NHS from next year is a positive recognition that long-term investment in health services is critical. But today's budget does not give much clarity on where the funding is coming from and postpones the spending until 2025/26, long after the general election. The £2.5bn top up in NHS day-to-day spending announced by the Chancellor today represents the bare minimum needed to reflect current costs and will do little to put the NHS's finances in a healthier position, leaving it with significantly lower funding levels than needed to fund the government's workforce plan. Once again social care has received no long-term certainty at all'.
Thea Stein, Chief Executive, Nuffield Trust

'We welcome the boost in investment of £120M for the Green Accelerator fund to support the green energy supply chain, along with the promise of faster connections to the grid. While we welcome funds directed for infrastructure projects in the regions (under the levelling up agenda), we are concerned this will benefit Members in some regions, while others will lose out. This will create a postcode lottery of demand for electrical contractors, which does not necessarily reflect the workforce available'.
Jane Dawson, Head of Public Relations and Public Affairs at ECA

Social Market Foundation

'Today's Budget was a relatively low key affair, with the notable exception of the national insurance cut. It demonstrated the case for reducing the number of annual fiscal events from two to one – having made a number of big consequential announcements in last year's Spring Budget and autumn statement, and presumably wanting to keep some powder dry before the election, there didn't seem to be very much to say. The two costliest announcements – cutting national insurance and freezing fuel duty – reflect questionable priorities, and the pressure such events generate to produce gimmicky 'rabbits out of hats' rather than that doing the responsible thing'.
Aveek Bhattacharya, Director, Social Market Foundation