

# NEWS BRIEF

Presented by Crendon Insurance Brokers Ltd

## Autumn Budget 2017 Highlights

On 22 November, Philip Hammond, Chancellor of the Exchequer, delivered the Autumn Budget 2017, his second Budget as Chancellor.

Hammond focused on the United Kingdom's 'bright future', declaring that the Budget supports 'families and business in the near term' while also supporting 'growth in the long term as the United Kingdom forges a new relationship with the EU.'

### Key Numbers

- There are more than 32 million people in work, meaning unemployment is at its lowest rate since 1975.
- The UK economy is forecast to grow by 1.5 per cent in 2017. The government estimates that the economy will then grow at a slightly slower rate in the next three years, before ramping up again in 2021 and 2022.
- The government will allocate an extra £3 billion to prepare for Brexit.

### Highlights for Employers and Individuals

- **The National Living Wage (NLW) and the National Minimum Wage (NMW) will increase from April 2018.** The NLW for those aged 25 and over will increase from £7.50 to £7.83 per hour from April 2018. The NMW will also increase as follows:
  - 21-24 year-olds: £7.05 to £7.38 per hour
  - 18-20 year-olds: £5.60 to £5.90 per hour
  - 16-17 year-olds: £4.05 to £4.20 per hour
  - Apprentices: £3.50 to £3.70 per hour
- **The government will abolish stamp duty land tax (SDLT) on homes under £300,000 for first-time buyers from 22 November.** Effective immediately, first-time buyers will pay no SDLT on homes worth under £300,000. First-

time buyers of homes worth between £300,000 and £500,000 will not pay SDLT on the first £300,000, but will pay the normal SDLT on the price above that. Hammond said this will benefit 95 per cent of first-time buyers, and that 80 per cent of people buying their first home will pay no SDLT.

- **The government pledged an additional £15.3 billion in housing support**—taking the total to at least £44 billion—to build 300,000 new homes per year by the mid-2020s.
- **Business rates will switch to being increased by the Consumer Price Index (CPI) 2 years earlier than planned.** Business rates revaluations will take place every three years, rather than every five years, starting after the next revaluation currently due in 2022.
- **The tax-free personal allowance will rise with inflation to £11,850 from April 2018.** The personal allowance—the amount you earn before you start paying income tax—will rise from £11,500 to £11,850. This means that in 2018-19, a typical taxpayer will pay £1,075 less income tax than in 2010-11. The higher rate threshold (40 per cent) will also rise from £45,001 to £46,350.
- **The government pledged £64 million for construction and digital training courses.** £34 million will go towards teaching construction skills like bricklaying and plastering. £30 million will go towards digital courses using artificial intelligence.

For more detail, read the full Autumn Budget 2017 by [clicking here](#). And, for more information on protecting your business, contact **Crendon Insurance Brokers Ltd** today.



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