

Budget 2020

The UK's new chancellor Rishi Sunak delivered his first Spring Budget, and the first for Boris Johnson's majority government, amid an unprecedented socio-economic climate with coronavirus fears, falling financial markets and Brexit.

Coronavirus response

£12bn plan to respond to the **economic impact** of the coronavirus outbreak. This includes a **£5bn emergency response fund** to support the NHS and other public services

Statutory sick pay will be paid to all those who are advised to self-isolate, even if they don't have symptoms. The Government will **refund** up to 14 days of statutory sick pay for businesses with fewer than 250 staff

Business rates abolished for retail, leisure and hospitality firms with a rateable value below £51,000

£1.2m **business interruption loans** to support SMEs

Fiscal forecast

Economy



Economy predicted to **grow 1.1%** this year, not taking into account the impact of coronavirus – **slowest growth since 2009**

Interest rates **reduced** from 0.75 to **0.25**

Health

£6bn in **extra NHS funding** over five years to pay for **staff recruitment** and start of **hospital upgrades**



Employment

The **National Living Wage** is currently projected to be over **£10.50 an hour** by 2024

National Insurance Contributions tax threshold to rise from £8,632 to **£9,500** – saving employees c£100 a year



Business, Digital, Science

£5bn to get **gigabit-capable broadband** into the hardest to reach places. **£510m** investment in the shared **rural mobile phone network** so that 4G coverage reaches **95%** of the country in the next five years



£130m of new funding to extend **Start-up loans**

£900m for research into nuclear fusion, space and electric vehicles

Increasing **investment in R&D** to **£22bn a year**. As a percentage of GDP, it will be the **highest in nearly forty years**

£5bn of new **export loans** for businesses

Environment and energy

£500m to support the rollout of new **rapid charging hubs** for electric cars



£640m **nature for climate fund** to protect natural habitats, including **30,000 hectares of new trees**

Plastic packaging tax comes into force from **April 2022**. Manufacturers and importers whose products have **less than 30% recyclable material** will be charged £200 per tonne

Total **investment in flood defences** to be doubled to £5.2bn over next five years. **£120m in emergency relief** for communities affected by recent flooding and £200m for flood resilience

Transport, infrastructure and housing



£600bn to be spent on **roads, rail, broadband** and **housing** by the middle of 2025

£12.2bn to help **build affordable homes**. Over 1bn from the Housing Infrastructure Fund to enable building of **c70,000 new homes** in **high demand areas**