

Today saw newly-appointed Chancellor Rishi Sunak deliver the first financial statement of Boris Johnson's majority government. With the Conservative Party's large majority, the Prime Minister was given a *carte blanche* for radical reforms across several policy areas.

As predicted, the Chancellor met expectations in delivering a robust budget with significant changes to tax, affordable housing and infrastructure, as well as increased spending in

a number of regions, as the Tories look to reward their new supporters that helped the party take power in December's election.

Given the global angst regarding the spread of coronavirus, protecting the economy was a clear focus as the Chancellor was determined to "rise to this challenge". Sunak announced a package of measures to limit the economic impact of the disease, ensuring "stability and security".

### Coronavirus

The Chancellor pledged a £30bn package to help the UK economy respond to coronavirus, including abolishing business rates for business in retail, leisure and hospitality, as he warns that the outbreak will bring "significant" short-term impact.

### Housing

The Chancellor announced that almost £1.1bn of allocations from the Housing Infrastructure Fund will be used to build nearly 70,000 new homes in high demand areas across the country.

### Business

The Chancellor pledged to increase investment in R&D to a record £22bn a year. As a percentage of GDP, it will be the highest in nearly forty years – higher than the US, China, France and Japan. Start-up Loans will be extended by £130m of new funding. The Government will also reduce the lifetime limit of entrepreneurs' relief from £10m to £1m.

### Transport

The Government will spend more than £600bn on roads, rail, broadband and housing by the middle of 2025. In addition, £2.5bn will be made available to fix potholes and resurface roads over five years.

### Debt

**75.2% of GDP**

Debt is forecast to fall over the course of this parliament, going down from 79.5% of GDP this year to 75.2% in 2024-25.

### National Living Wage

**£10.50 per hour**

The national living wage will increase to two thirds of median earnings by 2024 – £10.50 an hour.

### Hospitals

**40**

The Government will start on building the 40 new hospitals promised during the election campaign.