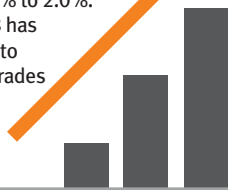


The 2017 Budget Report

Growth

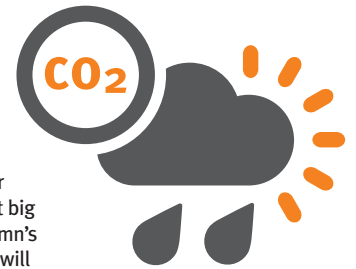
The Office for Budget Responsibility (OBR) has upgraded its economic growth forecast for this year from 1.4% to 2.0%. However, its forecast for 2018 has been downgraded from 1.7% to 1.6%, whilst there are downgrades for 2019 and 2020 too.

2.0%
growth forecast
for 2017



Air Quality

There wasn't any specific action on air quality, but the Red Book did hint that big changes could be coming in this autumn's Budget. It promises that Government will "continue to explore the appropriate tax treatment for diesel vehicles" between then and now, and consult with any stakeholders.



Inflation

The OBR expects average prices to rise by 2.4% in 2017 – a considerably faster rate than the 0.7% experienced in 2016. Thereafter, it's expected to hover around the 2% mark for four years.

2.4%
expected rise
in 2017



Infrastructure

The Budget gave more detail about how the money in Hammond's National Productivity Investment Fund, announced in the Autumn Statement, will be spent. Among those details? A £690 million competition fund for local authorities to get local transport networks moving. And £220 million for improving traffic pinch points.

£690m
fund for local authorities



Salary Sacrifice

Salary Sacrifice and Optional Cash Remuneration Arrangements. There were no changes beyond those that were announced in the Autumn Statement.



Fuel Duty

There was no change to Fuel Duty beyond what had previously been announced in the Autumn Statement, so the main rate remains frozen at 57.95 pence until April 2018.

57.95p
Rate frozen until 2018



Vehicle Excise Duty

The Budget confirmed that the VED rates for cars, vans and motorcycles registered before April 2017 will rise in line with the Retail Prices Index. However, Hammond also announced a freeze on the VED rate for HGVs (as well as on the Road User Levy paid by hauliers).

