



We'll be live blogging during the UK Budget today (July 8th). You can follow updates here from when the Chancellor takes the floor at around 12.30pm.

****Refresh your browser for updates****

9th July, 8.00pm

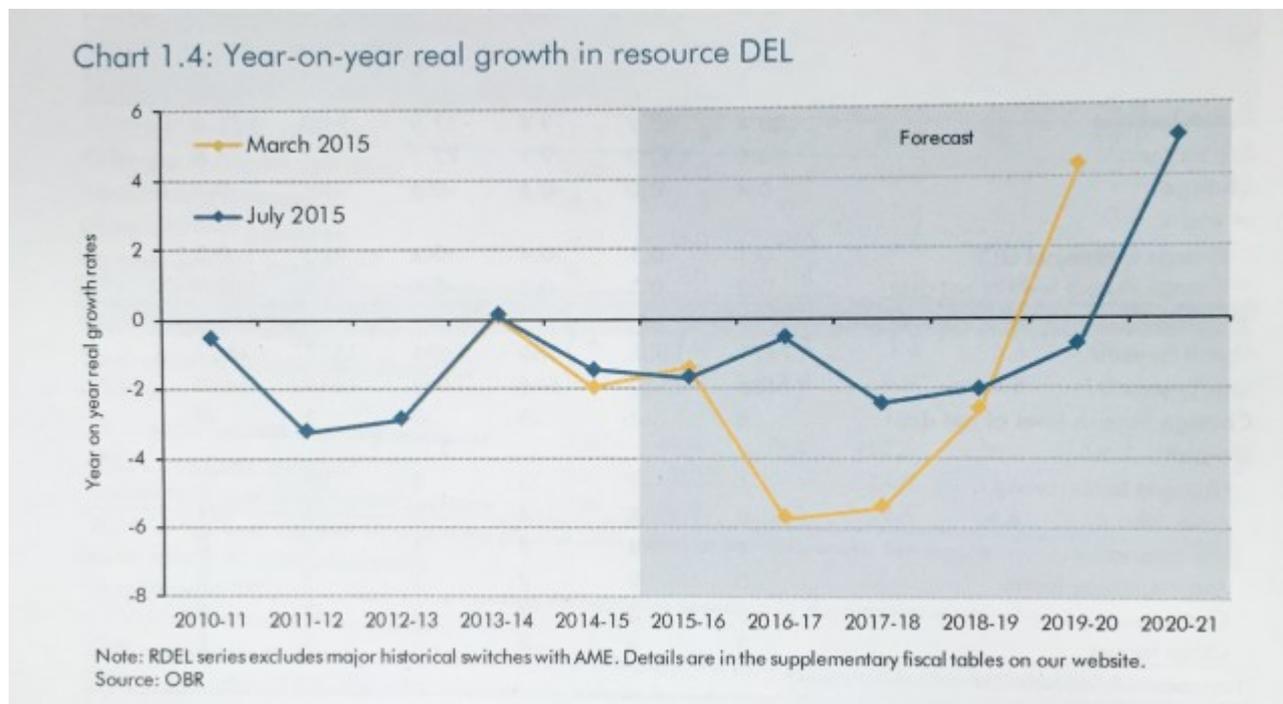
As promised, here's a more detailed look at the Budget. You can download it here.

4.52pm

Thanks for following our updates today. We've now produced a summary and analysis of the Budget, which you can catch up on [here](#).

2.43pm

This OBR chart illustrates well how fiscal austerity cuts will not be as deep as previously forecast



1.57pm

This fiscal anorak, for one, is away with his magnifying glass to take a look at the Budget's accompanying documents. More later!

1.51pm

According to the Chancellor, this was a Budget for the working people. It definitely wasn't a budget for working people in the public sector, though.

And, as always, the devil will be in the detail of the Budget. The speech was overall very positive, however there must be plenty of doom and gloom buried in the accompanying documents and spreadsheets. Fiscal anoraks will no doubt unearth this in due course!

1.47pm

BBC's Robert Peston tweets that the "OBR confirms that there is a big loosening since March budget in public service cuts and slowdown in deficit reduction"

1.43pm

Significantly, child tax credits will be restricted to two children from April 2017.

1.40pm

Fair to say that this was a landmark and quite radical Budget. We'll be providing more in-depth analysis later and tomorrow. Watch this space!

1.38pm

"Britain gets a pay rise". A new national living wage is announced. £7.20 per hour from next April and by £9 per hour by 2020. Low pay commission will recommend further rises

1.31pm

The tax-free personal income tax allowance has been increased to £11,000 from next year. This disproportionately benefits NI over other regions, given our lower incomes, pulling even more people out of income tax altogether

1.30pm

Statutory benefits payments such as maternity pay and disability benefits will be excluded from the freeze. Important to note from an NI perspective, given high dependence on disability benefits here

1.28pm

As expected - benefits cap reduced from £26k to £23k in London and from £26k to £20k elsewhere, including Northern Ireland

1.24pm

A benefits freeze for four years announced. Clearly this will impact Northern Ireland more than elsewhere

1.23pm

Chancellor says we (UK) spend more on family benefits than Germany, France or Sweden. Northern Ireland spends more than the UK average

1.20pm

Free childcare of up to 30 hours per week for parents of 3-4 year olds

1.15pm

No cut in corporation tax in this Budget? Nope, he's cutting it again! It will fall to 18% by 2020. This reduces the cost for NI if we are to cut corporation to 12.5%

1.14pm

More on Vehicle Excise Duty. For new cars, the duty in first year to be set according to emissions, but updated for new tech. Thereafter will be three bands - zero, standard and premium

1.11pm

Chancellor announces that buy-to-let landlords will lose their higher rate tax relief on mortgage interest. 'Rent a room allowance' raised for the first time in 18 years

1.07pm

Northern Ireland gets its first specific mention in Budget 2015. 'Working to deliver Stormont Agreement and deliver sustainable finances'.

While NI still has to sort out its stalemate re Stormont House Agreement, the Northern Powerhouse is powering ahead with new initiatives!

Other UK regions are not waiting for NI as they seek to drive their own economies forward

1.05pm

Worth noting - UK public sector employment is now at its lowest level since comparable records began (1999). NI has more public expenditure cuts ahead than already delivered to date. NI will therefore be playing catch-up re public sector job cuts

1.02pm

Fuel duty is to remain frozen this year. A welcome announcement for Northern Ireland car owners, particularly given that the price of petrol has risen from a low 106p per litre in February to 117p today

1pm

NI should see some benefit from the roads fund.

12.59pm

Should be something on fuel duty shortly. Given NI's dependence on the car, this could be significant

12.52pm

£37bn of fiscal consolidation is needed over this Parliament. There's more to come in Autumn Spending Review. Most of today's Budget will be focused on tax and welfare spending, not departmental spending

12.48pm

The Chancellor announces a public sector pay cap of 1% for four years. Will represent a real

terms pay cut in at least two of those four years. Particularly significant for NI

12.45pm

By the time of the 2020 Olympics in Tokyo, the UK should finally be spending less than it earns. And the OBR is forecasting the largest fiscal surplus in 40 years

12.43pm

Remember, this financial year, the UK is still borrowing £69.5bn. This is more than twice the economic output of the Northern Ireland economy

12.40pm

The Chancellor is suggesting he isn't going to put his foot down on the austerity accelerator but will keep it in cruise control (same pace as before)

12.38pm

We (Ulster Bank) expect Northern Ireland economy to grow by 1.5% this year which would be 0.9% below OBR forecast for the UK

12.37pm

The latest forecasts from OBR:

UK economy grew by 3% last year and this year (2015) is forecast to grow 2.4%

12.35pm

The Chancellor is on his feet. “A Budget for the Working People” to come

12.34pm

Today’s will be George Osborne’s second Budget of the year, his seventh in total. But the first all Conservative Budget since Ken Clarke’s in 1996 (Newcastle were top of the league)

12.30pm

PMQs is still going. They’re currently on fox hunting. Chancellor expected to take the floor shortly. BBC’s Peston says it’s the first Budget in years that he expects something big, but he hasn’t a clue what it is!

11.33am

Today is not expected to be a Budget for the buy-to-let investor. The expected cuts in housing benefit will place downward pressure on private sector rents. Plus any scaling back of mortgage interest tax relief for BTL investors will erode profitability and provide another headache for those in negative equity. All of this has particular implications for NI, given our housing market challenges.

11.27am

Just over an hour to go until the chancellor takes the floor. A lot of what we are likely to hear today will have already been flagged in the media. But we will probably also hear some less expected measures. Could this include:

- an increase in fuel duty?
- multi-year benefit and public sector pay freezes?
- capital gains tax on primary residence over a certain threshold?
- scaling back / removal of tax relief on buy-to-let mortgage interest?
- an acceleration of the sale of more state assets?
- plan to merge national insurance and income tax (if the chancellor is feeling a bit radical)?
- another increase in the personal income tax allowance?

11am

A bit of context from the FT: “Public spending austerity is only a little over half way through a 10-year consolidation, so there is considerable pain to come. The only way to lessen that pain is for sustainably faster growth enabling the chancellor to say Britain is richer than it thought, so does not have to tighten the belt so far”.

10.45am

Have questions about the Budget or how measures will impact Northern Ireland? Comment below or ask us on Twitter via [@ub_economics](#) and we'll do our best to answer

9.25am

BBC NI's John Campbell has produced a useful [Q&A about child tax credits](#). Worth a read.

9.15am

In the meantime, [the BBC is reporting](#) that it expects the chancellor to announce he will

take three years instead of two to reach his £12bn target of welfare cuts.

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