

Autumn Budget



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From April 2026, the National Living Wage will rise by 4.1% to £12.71 per hour, delivering an annual boost of £900 for full-time workers, while the National Minimum Wage sees increases of up to 8.5%, reinforcing the government's commitment to supporting low-paid employees.



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From April 2029, salary-sacrificed pension contributions exceeding £2,000 annually will become subject to National Insurance.



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All regulated rail fares, including season tickets, peak returns, and off-peak returns, will remain at their current level. The Treasury estimates a rail fare freeze will save commuters on more expensive routes over £300 a year, assuming they commute 3 days a week. Without a freeze, rail fares were set to increase by 5.8% in 2026.



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The Help to Save scheme, which boosts savings for 4.5m low earners by 50%, will be made permanent from 2028. Eligible savers can earn up to £1,200 in government bonuses over four years, helping build a financial buffer. Originally due to end in 2027, it will now continue.



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The government will allocate £48m to recruit 350 additional planners in support of its ambition to deliver 1.5m homes before the next parliament.



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The basic and higher rate of tax on property, dividends and savings income will rise by 2 percentage points, raising £2.2bn.



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ISA reform keeps the £20,000 limit, reserving £8,000 for investments, and protects over 65s' cash flexibility.



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The freeze on income tax thresholds is to be extended until 2031. This will bring almost 1m new taxpayers into the system and push another 750,000 into higher rates. Even those not entering a new bracket would pay more - with basic rate taxpayers paying over £100 extra a year by 2031, and higher-rate taxpayers over £400. Over the decade, the policy would create 5M new taxpayers and raise more than £50bn for the Treasury.



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The Chancellor plans to introduce a new tax on homes valued over £2m, affecting around 2.4m properties. This is expected to be presented as a 'mansion tax'.



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From April 2028, a new mileage-based charge will apply to electric and plug-in hybrid cars. EV drivers will pay around 3p per mile, while plug-in hybrid owners will pay 1.5p per mile. This is roughly half the fuel duty rate paid by petrol car drivers and is expected to raise £1.4bn to support road infrastructure.



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Permanent lower tax rates for more than 750,000 retail, hospitality and leisure properties with £4.3bn support package over three years.



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The state pension will rise in April 2026 in line with average wages. That would mean:

The new flat-rate state pension - for those who reached state pension age after April 2016 - will increase to £241.30 a week, or £12,547.60 a year, a rise of £574.60.

The old basic state pension - for those who reached state pension age before April 2016 - will go up to £184.90 a week, or £9,614.80 a year, a rise of £439.40.



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£150 will be cut from the average annual household energy bill from April next year.

