

Impact of the Budget

Public perceptions of the financial impacts of the 2024 Autumn Budget

Findings from the 11th Financial Fairness Tracker Survey

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This briefing paper is based on results from the 11th wave of the abrdn Financial Fairness Tracker, a periodic cross-sectional survey commissioned by the abrdn Financial Fairness Trust. The survey has been tracking the financial situation of UK households since the start of the coronavirus pandemic in early 2020, providing an overview of households' income, spending, borrowings, savings, quality of life and perceptions of key policy-related matters. Data was collected from nearly 6,000 households in November 2024 via Opinium's politically- and nationally-representative sample and then analysed by researchers at the University of Bristol's Personal Finance Research Centre (PFRC).

This briefing paper focuses on questions asked about the 2024 Autumn Budget and its financial implications for households. The survey was sent out just a few days after the Budget took place on 30th October 2024.



KEY FINDINGS

- Over half (57%) of UK households believe that the Chancellor's Budget will leave them worse-off over the next 12 months. Just one-in-ten (10%) think it will leave them better-off, while around a third (32%) don't think it will impact them noticeably.
- Older households were significantly more negative about the Budget's impact on them. Three-quarters (76%) of over 70s believe the Budget will leave them worse-off, compared with just a third (36%) of under 30s and around half (51%) of all working age respondents.
- Despite some negativity about the financial impact of the Budget, those surveyed were twice as likely to say that the tax rises announced were 'necessary' for improving public services (48%) than 'unnecessary' (24%). Even among those who expect to be left worse-off by the Budget; they were more likely to say the tax rises were necessary (41%) than not (32%).
- The public were largely supportive of the Government's decisions to: leave VAT, income tax and employee National Insurance contributions (NICs) unchanged (52% net support); raise taxes on tobacco and vaping (49%); and cancel the planned rise in fuel duty (47%). They were, however, more likely to oppose the increase in employer NICs (-9% net support) and the tightening of various inheritance tax rules (-22%).
- Four-in-five (80%) show some willingness to support further tax rises if needed, with support being highest for so-called 'sin' taxes (e.g. tobacco, vaping, gambling) (59%) and wealth taxes (53%). More were opposed to any further rises in inheritance tax (42% oppose), vehicles/fuel taxes (49%), income taxes (52%), consumption taxes, such as VAT (54%) and council tax (59%).
- Other legislation and spending policies – such as raising the National Living Wage (63% net support) and providing more free breakfast clubs (54%) – were largely supported by the public, except for the decision to means test the Winter Fuel Payment (-26%) and raise the cap on bus fares in England from £2 to £3 (-29%).

INTRODUCTION

On 30th October 2024, the Chancellor of the Exchequer, Rachel Reeves, became the first woman to deliver a UK Budget. The [Budget](#) sets out the new Labour Government’s plans to “fix the foundations of the economy and deliver change by protecting working people, fixing the NHS and rebuilding Britain”.

Under these plans, government spending will go up by an average of around 2 per cent of GDP or £70 billion per year, until the next election. To pay for this, the tax bill is set to rise by approximately £40 billion a year and government borrowing will also increase.

The main tax-raising measure announced was an increase in National Insurance Contributions (NICs) made by employers, expected to raise approximately £25 billion annually, with other smaller tax measures accounting for the rest of the increase. These include additional taxes on tobacco and vaping, the already announced plan to charge VAT on private school fees, higher capital gains taxes when selling shares, and tighter inheritance tax rules (in particular on unspent pension pots and agricultural and business property reliefs, and an extra two-year freeze on the amount that can be passed on tax-free). There was no change to headline VAT rates or to income tax and NICs made by employees, and no increase in fuel duty (contrary to [pre-budget speculation](#)).

Around a third of the additional spending will go on capital investment, while the rest will top-up day-to-day Government department budgets. NHS England will receive an [extra £21 billion](#) by 2025-26. The [Institute for Fiscal Studies \(IFS\)](#) cautions, however, that many of the departmental increases are very front-loaded, meaning tighter budgets may return by the time of the next election.

The Budget has not been without controversy. [Debate continues](#) about the extent of the £22 billion ‘black hole’ in the public finances, an issue which Paul Johnson of the IFS suggests has for some time been “[obvious to anyone who dared to look](#)”. The [CBI](#) have described it as “a tough Budget for business”, warning that it may “hit the ability to invest and ultimately make it more expensive to hire people or give pay rises”. The [Resolution Foundation](#) meanwhile suggests it “delivers short-term living standards pain in the hope of long-term growth-based gains”. [Thousands of farmers](#) have also taken to the streets of London to protest the changes to inheritance tax on agricultural land.

This briefing paper focuses on several questions asked as part of the abrdrn Financial Fairness Tracker survey in early November 2024, a few days after the Budget. The questions predominantly focus on aspects of the Budget (and other announcements made to-date by the Labour Government) which are most directly related to household’s day-to-day finances. We explore the public’s perceptions of the Budget and consider how these perceptions vary across different socio-economic groups.

Key methodological details

Sample size:	Fieldwork dates:	Type of survey:
5,804 householders (with some responsibility for bills / household finances)	4 th – 13 th November 2024	Online, cross-sectional survey of Opinium’s nationally- and politically-representative panel

HOW DO HOUSEHOLDS THINK THE BUDGET WILL IMPACT THEM FINANCIALLY?

Few feel better-off after the Budget

The Budget containing the highest tax rises as a share of GDP [since 1993](#) was met with a certain lack of enthusiasm from some of the press. Among the [newspaper front pages](#) on 31st October, the day after, we saw the fiscal event described as a “Halloween Horror Show” (Daily Express), “Nightmare on Downing Street” (The Daily Telegraph) and a “£40bn tax bombshell for Britain’s strivers” (Daily Mail). The Mirror was relatively alone in lauding the “Record cash to transform NHS and schools”.

Despite this, by leaving the rate of income tax and employee NICs unchanged, the amount that average earners see taken from their payslips remains [relatively low by historical standards](#). Over the past 50 years, the basic rate of income tax, for example, has come down from 35 per cent to 20 per cent, while the rate of employee NICs (8 per cent) is the lowest since 1982. This paradox – of a higher overall tax burden that features lower taxes on earnings – is at the heart of the [debate](#) over whether ‘working people’ would be affected by tax rises at the Budget.

Results of our Tracker survey suggest that the public are more likely to feel that the Government’s plans will harm rather than help their household finances. Of those who had an opinion about how the Budget would impact them in the next 12 months, over half (57%) said it would leave them worse-off – though it should be noted that the majority of these (39%) felt they would be “a little worse-off”, around double the proportion who thought they would be “much worse-off” (19%). The financial value of “a little” and “much” is of course unclear, and some households may have different definitions to others. A remaining third of households (32%) said it would have no noticeable impact and just one-in-ten (10%) felt it would leave them better-off. Working households, interestingly, were slightly less likely to believe that the budget would leave them worse-off (51%) and more likely to feel better-off (14%). This is potentially related to the decision to means-test the Winter Fuel Payment, which will directly affect many older households. While the costs of raising Employer NICs, on the other hand, may ultimately be passed on to working age people through lower wages, the second-hand, indirect and less immediate nature of this may render it less visible to them.

Table 1 – Expectations of the financial impact of the Budget on households in the next 12 months

Based on what you have heard about the Budget, overall do you think the Government’s plans will leave your household better- or worse-off financially over the next 12 months?	All respondents	All respondents (exc. N/A or don’t know)	Working households (exc. N/A or don’t know)
Much worse-off	15%	19%	15%
A little worse-off	31%	39%	36%
No noticeable impact	26%	32%	36%
A little better-off	6%	8%	10%
Much better-off	2%	2%	4%
NET: worse-off	47%	57%	51%
NET: better-off	8%	10%	14%
N/A – I haven’t heard anything about the Budget	8%		
Don’t know	11%		
<i>Unweighted sample size</i>	<i>5,804</i>	<i>4,858</i>	<i>3,085</i>

Notes: ‘Working households’ refers to households where either the respondent or their partner (if applicable) is in full- or part-time work.

Box 1 – Who was more and less likely to have an opinion on the Budget?

Nearly one-in-five respondents (19%) either hadn't heard anything about the Budget or didn't know how it might affect them. Some socio-economic groups were more likely than others to give an answer to how they thought the Budget would affect their household financially. Regression analysis allows us to establish which groups were significantly more or less likely to have a view on the impact of the Budget (while controlling for other household and respondent characteristics):

More likely to provide an opinion:

Aged 70 or over
Aged 60-69
Male
Single parent household
Lib Dem voter in 2024
Degree-educated
Couples without children

Less likely to provide an opinion:

Female
Live in Wales
Didn't vote in 2024
Unsure if voted in 2024

Some groups were more negative about the Budget than others

As presented in Table 1, different types of households appear to have reacted differently to the Budget announcements. In Table 2, we present the results of regression analysis, which show the odds of feeling that the Government's plans would leave them "worse-off". Regression analysis allows us to assess the association between different characteristics and feeling worse-off while controlling for the other factors included in the model. We present two regression models: the first contains a variety of household and respondent characteristics, and the second also includes how the respondent voted at the 2024 General Election. By adding voting patterns into a separate model, it allows us to assess the relationship between different characteristics (such as age) and negative views of the Budget, with and without controlling for their political views.

We see that age is a clear predictor of views about the Government's policies, with those aged over 70 having double the odds of saying that the Budget would leave them worse-off compared to those in their forties (odds ratio (O/R) = 2.03). Under 30s meanwhile had half the odds of feeling this way (relative to the 40-49 age group) (O/R=0.44). Looking at the percentages (without controlling for other factors), we see that three-quarters (76%) of over 70s believe the Budget will leave them worse-off, compared with just a third (36%) of under 30s and around half (51%) of all working age respondents.

Income is also a relatively strong predictor. Those in the bottom three income quintiles were all significantly more likely to feel the Budget would leave them worse-off. Indeed, we see that 44% of those in the top income quintile felt negatively, compared with 62% of those in the bottom quintile.

Figure 1 gives a breakdown of the results by both age and income quintile. It demonstrates that among both working age and pensionable age respondents, as income increases the reaction to the Budget becomes more positive. It also highlights the significant difference in opinions between older adults and those of working age. This is likely to relate to the removal of Winter Fuel Payment from most pensioners and could also be connected to changes to inheritance tax. As we show later, inheritance tax is not exactly 'popular' across the board, but it appears considerably less popular among older people. This potentially relates less to the financial impact on older people themselves but more to a desire to leave something for future generations of their family.

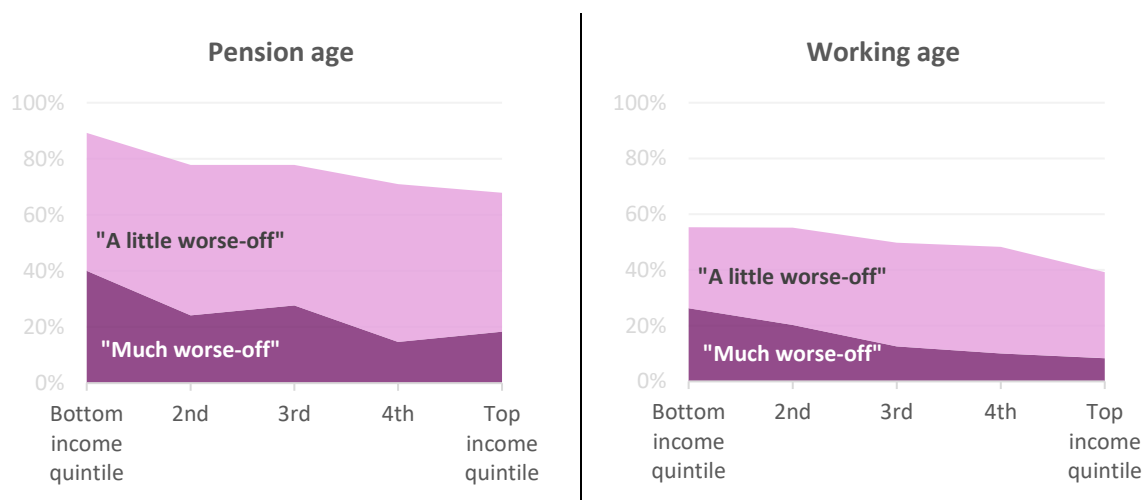
Table 2 – Who expects the budget to leave them worse-off financially?

Regression analysis showing household and individual characteristics associated with significantly higher or lower likelihood of believing they would be left worse-off in the next 12 months.

Household and individual characteristics	Model 1	Model 2
Income quintile (Ref = Top quintile)		
Bottom income quintile	1.91**	1.83**
2nd income quintile	1.55**	1.55**
3rd income quintile	1.37**	1.39**
4th income quintile	1.21	1.24
Working households (Ref = No workers)	0.78*	0.80
Receives income-related benefits (Ref = None)	0.75*	0.77*
Degree-educated (Ref = Not degree-educated)	0.65**	0.73**
Age group (Ref = 40-49)		
Under 30	0.46**	0.44**
30-39	0.64**	0.68**
50-59	1.03	1.03
60-69	1.50**	1.49**
70 or over	2.18**	2.03**
Minority ethnic group (Ref = White British)	1.11	1.12
Tenure (Ref = Own outright)		
Own with mortgage	1.53**	1.58**
Private rent	1.13	1.17
Social rent	0.99	0.96
Other	1.09	1.21
Female (Ref = Male)	1.30**	1.31**
Household composition (Ref = Single adult)		
Couple, no children	1.00	1.00
Single parent	1.10	1.17
Couple with children	0.70**	0.70**
Car-owner (Ref = No car)	1.14	1.13
Someone disabled in household (Ref = None)	1.21*	1.25*
Rural area (Ref = Urban)	1.22	1.17
Nation (Ref = England)		
Wales	0.72	0.69*
Scotland	0.90	0.96
Northern Ireland	0.74	0.63
2024 General Election vote (Ref = Labour)		
Conservative	-	2.16**
Lib Dem	-	1.07
SNP	-	1.84*
Reform UK	-	3.14**
Green	-	1.25
Another party	-	2.38**
Not sure / can't remember	-	3.24**
Did not vote	-	2.06**
Constant	0.87	0.50

Notes: Numbers shown are Odds Ratios, with values over 1 indicating higher odds of feeling worse-off (relative to a reference group) and values less than 1 indicating lower odds. Statistical significance indicated by asterisks: ** = p<0.01, * = p <0.05. N/A & DK excluded.

Figure 1 – Expect Budget to leave them “worse-off”, by age and income quintile



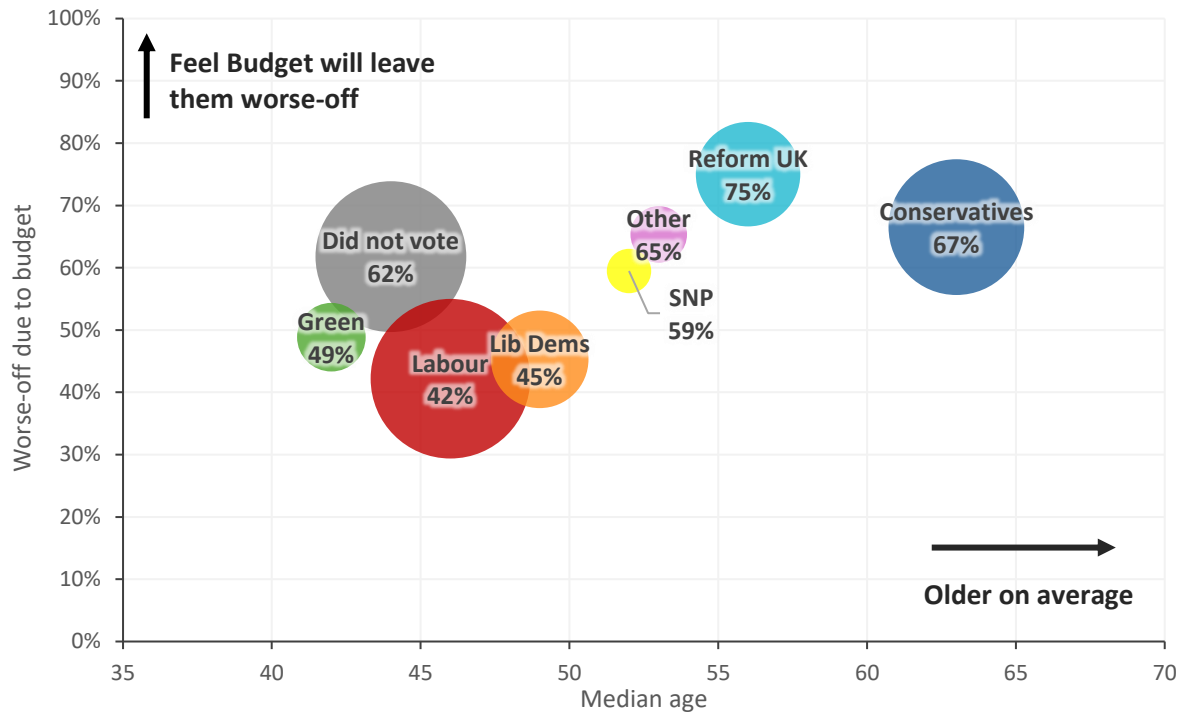
Notes: Percentages are based on only those who had heard about the Budget or didn't say 'don't know' when asked about the impact of it on their household. Pension / working age is based on the age of the survey respondent, not the age of any other people in the household. Income quintiles are based on household net monthly income, after housing costs, adjusted for household size and composition.

While exploring the relationship between age and Budget reaction, it is also important to bear in mind the significant differences in voting behaviour between different age groups. Polling data of 35,000 voters [conducted by YouGov](#) suggests that nearly half (46%) of those aged 70 plus voted Conservative in 2024, compared to just 8 per cent of those under 30. The figures for Labour are 20% and over 40% respectively. While support or opposition to particular policies announced in each party's manifesto may have determined which party they voted for in the first place, people's overall view of the Budget could be influenced by their voting behaviour, regardless of the specific policies announced. Indeed, when we include 2024 voting behaviour in our regression model 2 (Table 2) we see that the effect of age reduces a little, primarily among the oldest respondents. Unsurprisingly, we see that Conservative voters had around double the odds of feeling negatively impacted by the Budget (O/R = 2.16, relative to Labour voters), with Reform UK voters having triple the odds (O/R = 3.14). Lib Dem and Green voters were not significantly different to Labour voters in this regard.

This age-vote pattern is demonstrated through the Tracker data in Figure 2. It shows Conservative voters as having the highest median age (63), followed by Reform UK (56). Green (42), Labour (46) and Lib Dem (49) voters were all younger. Broadly, we see that the parties with more older voters were generally more negative about the impact of the Budget on their household; however, interestingly, Reform UK voters were the most negative (with 75% reckoning the Budget would leave them worse-off), despite typically being younger than Conservative voters.

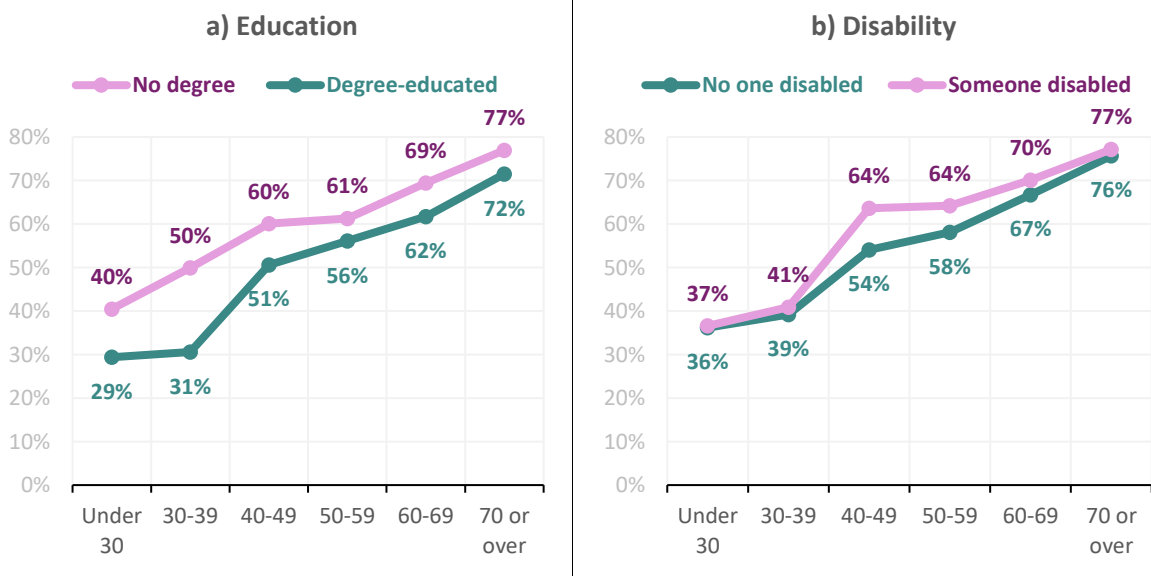
The regression analysis also suggests patterns that those educated to degree-level were less likely to expect to be worse-off as a result of the Budget and those with someone disabled in their household were more likely to feel worse off. However, there are interesting age patterns within both of these groups, – as shown in Figure 3. While people with degrees of all ages were more positive about the Budget, this was especially the case among those aged 30-39 with a degree. For disabled adults, those in the 40-49 age group were especially negative about its impact. This may relate to [concerns raised](#) around the Government's plans to implement previously announced changes to the work capability assessment.

Figure 2 – Expect Budget to leave them “worse-off”, by political party voted for in 2024. X-axis indicates median age of those who voted for each party, while size of bubbles indicates the number of people who voted for that party.



Notes: N/A and don't know are excluded from this analysis. Sample sizes as follows: Labour = 1442; Conservatives = 889; Reform = 674; Lib Dems = 493; Green = 240; SNP = 142; Other = 110; Did not vote = 599.

Figure 3 – Expect Budget to leave them “worse-off”, by age and a) education level and b) disability in household



Notes: N/A and don't know are excluded from this analysis. Sample sizes in chart A range from 187 (under 30, degree) to 725 (60-69, no degree) and in chart B from 122 (under 30, someone disabled in household) to 725 (60-69, no one disabled).

There were also other factors shown to have a statistically significant relationship with people's views on the Budget (Table 2). Characteristics associated with more negative views about its impact were being a mortgagor (O/R = 1.58, relative to outright homeowners) and being female (O/R = 1.31, relative to males). The former may relate to [reports](#) that mortgage rates are likely to be higher than previously expected. This finding also highlights the value of the regression analysis, as without controlling for age and other characteristics, we see that mortgage-holders were actually *less* likely than outright homeowners to say the Budget would leave them worse-off (54% compared with 62%). We know, however, that outright homeowners are generally older than mortgagors, so it is important to compare the two groups on a like-for-like basis. The regression does this, and shows that of two people the same age, a mortgagor would typically have more negative views about the Budget than an outright homeowner (with other characteristics also held equal). Meanwhile, more negative attitudes towards the Budget from women may relate to a wide [range of structural inequalities](#) not fully captured within the model, such as job precarity, caregiving and a lack of financial assets. [Previous research](#) has also shown that women tend to be less optimistic about their future finances than men (possibly as a result of the aforementioned inequalities).

One intriguing finding from our analysis – not included within the regression model – is that those who have been on maternity or paternity leave in the past six months (n=120) were significantly more likely to say that they thought the Budget would leave them *better-off* (40%, compared with just 10% of all respondents). While this may partially be driven by age, it is still a more positive result than for the general population of people under 30 (31%) or aged 30-39 (21%). It may relate either to continued expansion of Government-funded childcare or potentially to the Government's [Employment Rights Bill](#) including 'stronger protections for pregnant women and new mothers returning to work including protection from dismissal'. Whether the latter has had the level of coverage required to generate such a positive finding seems relatively unlikely. Alternatively, it could be somehow linked to people choosing to have children only when they feel relatively financially secure. More broadly, our regression analysis finds that couples with children were significantly less likely to feel the Budget would leave them worse-off (O/R = 0.70, relative to single adults).

Other groups who feel significantly more positive (or more accurately: less negative) about the Budget include: households with one or more workers (O/R = 0.78) (though this becomes non-significant in model 2 after including voting behaviour); households in receipt of income-related benefits (O/R = 0.77); and households in Wales (O/R = 0.69, relative to England) (only significant once 2024 vote has been controlled for).

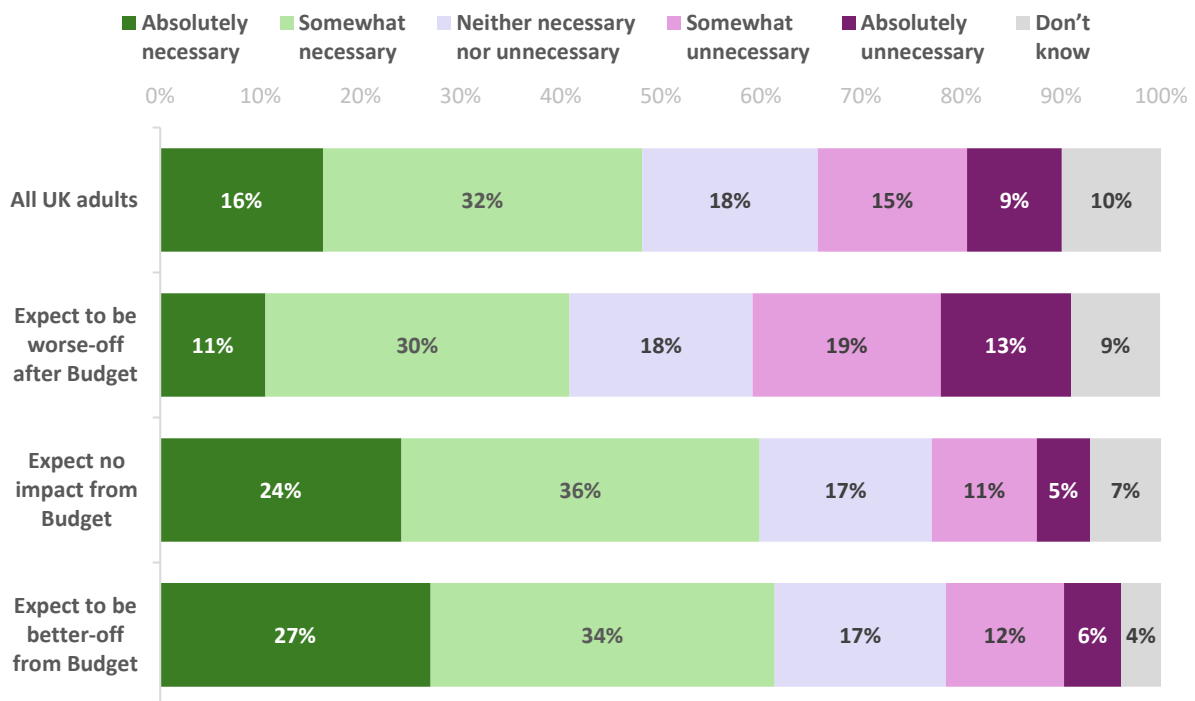
DO THE PUBLIC FEEL THAT TAX RISES WERE NECESSARY?

There has been much talk of Labour's 'inheritance' from the Conservatives since being elected in July 2024. This relates not just to the state of the public finances but also to the (related) state of public services. A recent [YouGov poll](#) suggests that just 6% of the British public think that public services are in a good state, while three-quarters (74%) think they are in a very or fairly bad way. An [Ipsos survey in 2023](#) found that eight in ten Britons thought that public services had got worse in the preceding five years.

The state of public services was arguably a key driver of Labour's election win. An [October 2023 survey](#), for example, found that 45% of the public felt a Starmer-led Labour Government would be likely to improve public services, compared to just 18% who felt this way about a Sunak Conservative Government. Similarly, 41% felt Labour offered Britain 'a fresh start', compared to 17% for the Conservatives. When it came to 'reducing taxes', Labour enjoyed a much smaller lead – but a lead nevertheless (26%, versus 20%). It is within this broad political context that the Budget announcements were made.

As part of the Tracker survey, we asked respondents whether they felt the tax rises announced at the Budget were necessary to improve public services (such as the NHS and schools). As shown in Figure 4, we found that those surveyed were twice as likely to say that the tax rises announced were ‘necessary’ (48%) than ‘unnecessary’ (24%). A sizeable proportion meanwhile sat in the middle, describing them as ‘neither necessary nor unnecessary’ (18%), and one-in-ten (10%) were unsure. Even amongst those who expect to be left worse-off by the tax and policy announcements at the Budget, they were more likely to feel that the tax rises were necessary (41%) than unnecessary (32%). The support for tax rises increases considerably among those who expect either no impact, or to be better-off following the Budget (60:16% and 61:18% respectively).

Figure 4 – “To what extent do you think these tax rises were necessary in order to improve public services (such as the NHS and schools)?”, by expected impact of the Budget on their household finances.

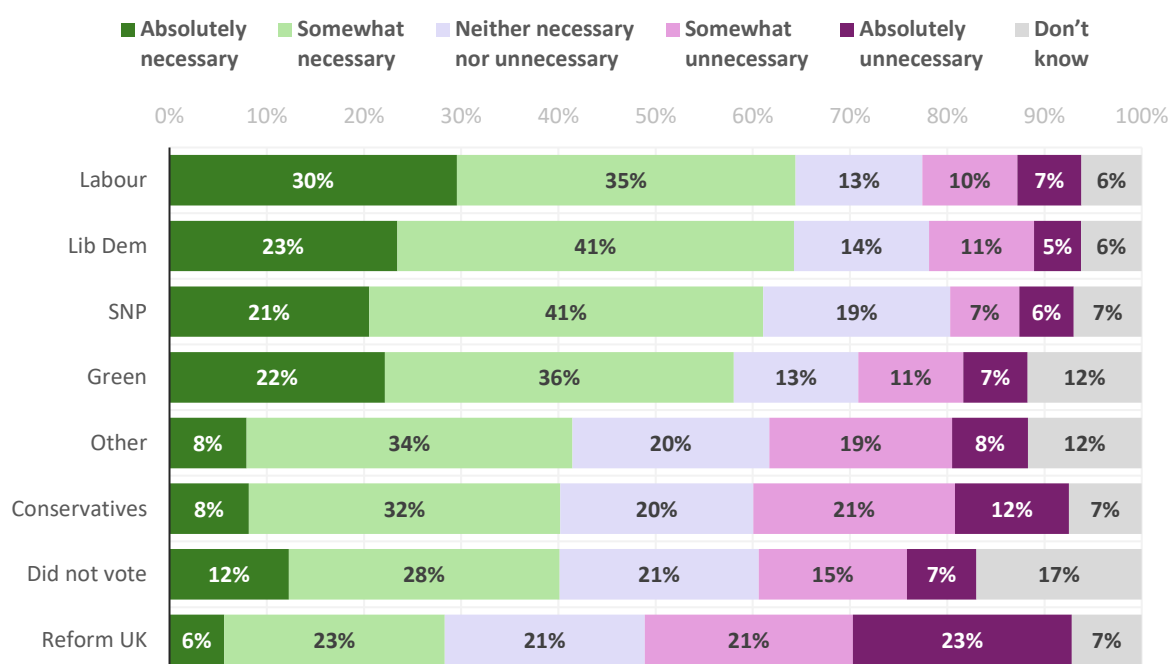


Notes: Sample sizes as follows: all = 5,133; worse-off = 2,771; no impact = 1,617; better-off = 470. The 8% who hadn't heard anything about the Budget were not asked whether they felt the tax rises were necessary (or any other subsequent questions about it).

These findings tally with results from our [May 2024 Tracker survey](#), which found that over half of UK adults (56%) agreed that “spending on public services (such as the NHS) should be increased, even if it means households like mine pay more tax”; whereas just a quarter (24%) agreed with the statement “taxes should be reduced for households like mine, even if it means less spending on public services (such as the NHS)”. An [October 2024 survey from YouGov](#) (prior to the Budget) found that, given the choice, the public slightly favoured “higher taxes and more funding for public services” (31%) over “lower taxes and less funding for public services” (20%). Meanwhile, 30% would have chosen to keep the status quo.

As expected, we see considerable variation in views on the necessity of tax rises by 2024 General Election vote (Figure 5). While 64% of Labour and Lib Dem voters see the tax increases as necessary, this falls to 40% among Conservatives and 28% among Reform UK voters.

Figure 5 – Necessity of tax rises announced to improve public services, by 2024 vote.



Notes: sample sizes range from 117 (other) to 1,522 (Labour).

HOW DO PEOPLE FEEL ABOUT SPECIFIC TAX POLICIES?

Following Labour’s various [manifesto promises](#) – including avoiding increasing VAT, income tax and National Insurance, maintaining corporation tax at its current level for the entire parliament, and an ambition to continue to ‘raise the same revenue’ from business rates (despite aiming to replace the existing system) – the Chancellor arguably had relatively little room for fiscal manoeuvring. At the time of the election, these taxes combined accounted for more than £800 billion (71%) out of the £1.1 trillion in annual public sector receipts.¹ This led to the Government opting to raise revenue primarily by raising employer NICs, but also through an array of other smaller tax measures. We asked survey respondents about ten of the more well-known measures – shown in Table 3 – including seven tax increases and three policies to leave taxes unchanged (such as fuel duty).

Of the tax policies asked about, eight out of ten enjoyed more support than opposition. The rise in employer NI contributions and changes to inheritance tax rules² were the only two policies – albeit policies quite central to the Budget – with higher levels of opposition than support (-9% and -22% net support respectively). Leaving VAT, income tax and employee NI unchanged was the most popular measure (52% net support), followed by taxes on tobacco and vaping (49%) – which actually had the highest proportion of respondents saying they ‘strongly support’ it (41%). Cancelling the rise in fuel duty (47%) and increasing Employment Allowance (which allows smaller businesses to reduce the amount of NI they pay) were also well supported (47% and 43% net support respectively). There were slightly more mixed feelings about VAT on private education, corporation and capital gains taxes, and taxing less efficient new vehicles, but all still had more support than opposition.

¹ For 2024-25, according to the [2024 Spring Budget](#).

² Please note that the fieldwork took place between 4th and 13th November. The survey represents opinion at a snapshot in time, so events following it can of course cause opinion to change. For example, the biggest farmers protest against changes to agricultural property relief took place on 19th November in London and the increased coverage may or may not have shifted public opinion.

Table 3 – Extent of support or opposition for various tax-related policies announced by the Government

Tax-related policy	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know	All support	All oppose	Net: support minus oppose
No change to the rate of VAT, income tax and National Insurance paid by employees	27%	33%	24%	6%	2%	7%	61%	9%	52%
Raising taxes on tobacco and vaping	41%	24%	15%	9%	8%	3%	65%	16%	49%
Delaying or cancelling the planned increase in fuel duty	30%	29%	22%	7%	5%	8%	59%	12%	47%
Increasing Employment Allowance, which allows smaller companies to reduce the amount of National Insurance they pay	16%	37%	27%	6%	3%	10%	53%	10%	43%
Charging VAT on private schools	28%	23%	22%	11%	10%	6%	51%	21%	29%
Keeping corporation tax at the same rate until the next election	10%	22%	37%	13%	6%	12%	32%	19%	13%
Increasing capital gains tax on profits from selling shares	14%	20%	31%	14%	10%	10%	34%	25%	9%
Increasing tax paid on new, less efficient vehicles in their first year	11%	21%	29%	18%	12%	8%	32%	30%	2%
Increasing the amount of National Insurance paid by employers	8%	19%	30%	22%	14%	7%	27%	36%	-9%
Tightening inheritance tax rules (e.g. taxing unspent pension pots and making exemptions for farmland less generous)	9%	13%	24%	21%	23%	9%	22%	45%	-22%

Note: darker green cells indicate higher values relative to others in the table. The final column uses its own colour coding running from low (red) to high (green). Sample size was 5,133 (all who had heard something about the Budget).

Table 4 – Support for various tax-related policies announced by the Government, by age and voting behaviour ('strongly support' or 'tend to support')

Tax-related policy	All	Age group						2024 vote								2019 to 2024 vote		
		< 30	30-39	40-49	50-59	60-69	70+	Con	Lab	Lib	SNP	RUK	Grn	Oth	None	Con → Lab	Con → RUK	Lab → Oth
Raising taxes on tobacco and vaping	65%	53%	59%	63%	69%	70%	73%	74%	67%	78%	68%	56%	70%	61%	56%	72%	58%	70%
No change to the rate of VAT, income tax and employee NI	61%	47%	53%	59%	65%	69%	68%	67%	63%	64%	56%	59%	56%	65%	56%	67%	62%	60%
Delaying or cancelling the planned increase in fuel duty	59%	37%	45%	56%	63%	68%	75%	71%	55%	59%	55%	68%	46%	69%	51%	61%	69%	49%
Increasing Employment Allowance	53%	45%	52%	53%	53%	56%	56%	54%	59%	61%	55%	48%	51%	58%	49%	59%	49%	54%
Charging VAT on private schools	51%	43%	53%	57%	57%	53%	39%	36%	67%	59%	69%	42%	66%	54%	43%	59%	37%	74%
Increasing capital gains tax on profits from selling shares	34%	35%	38%	37%	35%	31%	30%	26%	48%	39%	48%	25%	45%	35%	29%	39%	22%	51%
Increasing tax paid on new, less efficient vehicles in their first year	32%	33%	37%	36%	31%	29%	28%	26%	43%	44%	40%	20%	49%	18%	26%	41%	20%	45%
Keeping corporation tax at the same rate until the next election	32%	36%	31%	29%	31%	32%	34%	43%	32%	31%	22%	33%	25%	29%	26%	38%	35%	17%
Increasing the amount of National Insurance paid by employers	27%	38%	39%	26%	27%	21%	17%	18%	41%	35%	24%	11%	35%	26%	23%	34%	8%	37%
Tightening inheritance tax rules	22%	31%	32%	24%	20%	17%	13%	13%	37%	29%	26%	11%	33%	13%	17%	28%	7%	35%
<i>Sample size</i>	<i>5132</i>	<i>487</i>	<i>774</i>	<i>816</i>	<i>992</i>	<i>1061</i>	<i>1002</i>	<i>914</i>	<i>1522</i>	<i>507</i>	<i>153</i>	<i>695</i>	<i>254</i>	<i>117</i>	<i>661</i>	<i>246</i>	<i>422</i>	<i>169</i>

Note: darker green cells indicate higher values relative to others in the same row. Acronyms used as follows: Con = Conservative, Lab = Labour, Lib = Lib Dem, SNP = Scottish National Party, RUK = Reform UK, Grn = Green, Oth = Other. 2019 to 2024 vote shows only the three most common groups of switchers. 'Lab → Oth' includes switchers from Labour in 2019 to any other party except Conservative or Reform in 2024.

As with general views about the Budget, we see variation in support for different tax policies by age and voting behaviour (Table 4). The biggest age difference is in relation to leaving fuel duty untouched, with a 37-percentage point gap between the over 70s (75% support) and under 30s (37%). This doesn't appear to reflect differences in car ownership, as the under 30 age group were only slightly less likely to own a car than the over 70s (78%, compared with 83%); but unsurprisingly we do see a big difference in support for this policy between car-owning households (63%) and those without one (37%). Support for leaving VAT, income tax and employee NI the same was also lower among young adults (47% of under 30s, compared with 68% of over 70s) and the same was true for raising taxes on tobacco and vaping (53% for under 30s and 73% for over 70s). All three of these policies – plus keeping corporation tax the same until the next election – enjoyed a higher level of support from 2024 Conservative voters than from Labour voters.

The increase in employer NI and the changes in inheritance tax rules meanwhile had more support among younger adults and among Labour voters. The policy with the biggest difference between Labour and Conservative voters, however, (but less difference by age) was charging VAT on private schools (67% support among Labour voters and 36% support among Conservatives). This is perhaps not surprising given that this was one of the tax policies most clearly announced by Labour prior to the General Election and was heavily criticised by the Conservative party. Capital gains tax changes and taxes on new, less efficient vehicles also had significantly lower support among Conservative voters. Reform UK voters were generally the most negative about each of the tax rises announced, with those who had switched from the Conservatives in 2019 to Reform in 2024 typically being even more opposed. This highlights a potentially awkward political challenge for the Conservatives, as the results highlight the significant gulf in policy attitudes between those voters they lost to Reform in 2024 and those they lost to Labour. Meanwhile those voters that Labour lost to other parties (excluding the Conservatives and Reform) held broadly similar attitudes on most tax policies to those that did vote for Labour, with the possible exception of the policy to keep corporation tax rates stable until the next election – which they were much less likely to support (though whether they would prefer higher or lower rates is unclear).

HOW MIGHT VOTERS FEEL ABOUT FURTHER TAX RISES IN FUTURE?

We also asked respondents about the extent to which they might support various further tax rises in the future to improve public services. Four of the policies asked about had more support than opposition, while five had more opposition than support. Respondents were most positive about further taxes on tobacco, vaping, alcohol, unhealthy foods and gambling (59% support vs 18% opposition), followed by taxes on wealth (53% support vs 18% opposition). They were most opposed to further rises in council tax (or rates in Northern Ireland) (59% oppose vs 12% support) and taxes on general spending, such as VAT (54% oppose vs 14% support). Overall, 80% of respondents showed some willingness to support at least one of the nine taxes asked about, with nearly one-in-two (47%) potentially being in favour of three or more of the taxes.

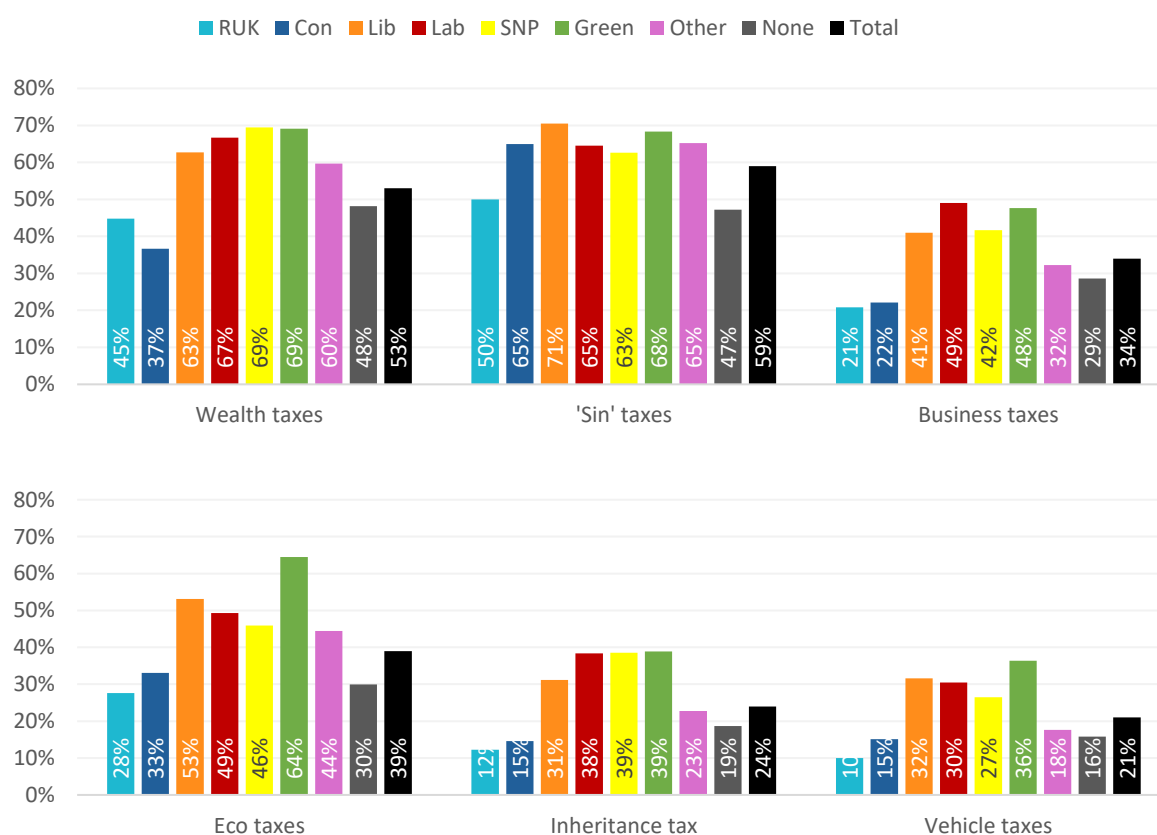
As Figure 6 shows, support for various forms of further tax rises fall along party political lines in the ways that one might expect, consistent with previous findings in this report. Generally, there is greater consensus among Labour, Lib Dem, Green and SNP voters about higher taxes on wealth and business. Reform and Conservative voters were typically united in their opposition to increased inheritance or business-related taxes, but there was perhaps some divergence in relation to so-called 'sin taxes' (on things like tobacco, vaping, alcohol, unhealthy foods and gambling), with Conservatives generally more supportive. Wealth taxes meanwhile enjoyed statistically significantly higher support among Reform voters than Conservatives (45% vs 37%) – though this was not the case for inheritance tax, one of the key ways wealth can be taxed. Unsurprisingly, we find that two-thirds (64%) of Green voters support higher taxes on less environmentally-friendly behaviours (such as flying) – higher than any other party and more than double the support of Reform voters (28%).

Table 5 – To what extent would you support or oppose the Government raising each of the following taxes in the future, beyond what was announced at the Budget, in order to improve public services if needed (such as the NHS and schools)?

Possible future tax rises	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know	All support	All oppose	Net: support minus oppose
Taxes on tobacco, vaping, alcohol, unhealthy foods and gambling	33%	26%	17%	10%	8%	6%	59%	18%	41%
Taxes on wealth (such as capital gains tax or taxes on the assets of wealthy individuals)	26%	27%	20%	10%	8%	8%	53%	18%	35%
Taxes on spending on less environmentally-friendly behaviours (such as flying)	14%	25%	27%	15%	11%	9%	39%	26%	13%
Taxes on businesses	10%	24%	31%	16%	9%	10%	34%	25%	8%
Inheritance taxes	9%	15%	24%	21%	21%	10%	24%	42%	-17%
Taxes on vehicles or petrol/diesel	7%	14%	22%	27%	22%	8%	21%	49%	-28%
Taxes on income (such as income tax and national insurance)	4%	12%	23%	27%	25%	9%	16%	52%	-36%
Taxes on general spending (such as VAT)	3%	10%	23%	31%	23%	9%	14%	54%	-40%
Council taxes/rates	3%	9%	21%	30%	30%	8%	12%	59%	-48%

Note: darker green cells indicate higher values relative to others in the table. The final column uses its own colour coding running from low (red) to high (green). Sample size was 5,804 (all households).

Figure 6 – Support for six types of further tax rises, by party voted for in 2024 ('strongly support' or 'tend to support')



Notes: 'sin taxes' refer to taxes on tobacco, vaping, alcohol, unhealthy foods and gambling. Sample sizes for each party are as follows: Reform = 741; Conservative = 973; Lib Dem = 546; Labour = 1,705; SNP = 161; Green = 293; Other = 130; None = 863.

WHAT WAS THE PERCEPTION OF OTHER POLICIES ANNOUNCED BY THE GOVERNMENT?

In addition to questions asked about support or opposition for various tax policies, we asked respondents how they felt about a range of other policies that the Government announced at the Budget or had already revealed (Table 6). These policies included aspects of government spending, as well as new pieces of legislation or changes to existing policy. We focused specifically on policies which are more directly related to household finances. For this reason, we did not, for example, ask participants about the rise in NHS expenditure, despite its significance to the Budget.

Seven of the nine policies asked about were supported overall, while two were opposed. The most widely-supported policies were: the rise in the National Living Wage (NLW) (63% net support), stronger protections against dismissal for pregnant women and new mothers (57%), the provision of more free breakfast clubs at primary schools in England (54%), enhanced laws on equal pay for ethnic minorities and disabled people (51%), and the zero hours contract changes (50%). Facing slightly more opposition, but still with overall net support, we see the right to sickness pay from day one (31%) and the decision to retain the two-child limit on benefits (28%). The two policies which were opposed overall were the means-testing of Winter Fuel Payment (26% net opposition) and raising the bus fare cap from £2 to £3 (29% net opposition).

Table 6 – Extent of support or opposition for various other policies announced by the Government to-date

Policy	Extent of support/opposition						All support	All oppose	Net: support minus oppose
	Strongly support	Tend to support	Neither support nor oppose	Tend to oppose	Strongly oppose	Don't know			
Raising the minimum wage from £11.44 to £12.21	38%	34%	17%	6%	3%	3%	72%	9%	63%
Providing stronger protections against dismissal for pregnant women and new mothers	34%	31%	21%	5%	3%	5%	66%	8%	57%
Providing free breakfast clubs at primary schools (England only)	36%	30%	19%	7%	4%	3%	66%	12%	54%
Introducing a law to strengthen the right to equal pay for ethnic minorities and people with disabilities	30%	30%	25%	5%	4%	5%	60%	10%	51%
Banning zero hours contracts (for those who want guaranteed hours)	33%	29%	21%	8%	4%	5%	62%	12%	50%
Giving employees the right to sickness pay from their first day of work	25%	28%	20%	14%	8%	5%	53%	22%	31%
Keeping the two-child limit on benefits	24%	25%	24%	12%	9%	7%	48%	20%	28%
Restricting the Winter Fuel Payment to only those pensioners in receipt of other low-income benefits	10%	17%	16%	18%	35%	4%	27%	53%	-26%
Raising the cap on bus fares in England from £2 to £3	6%	14%	26%	25%	24%	5%	20%	49%	-29%

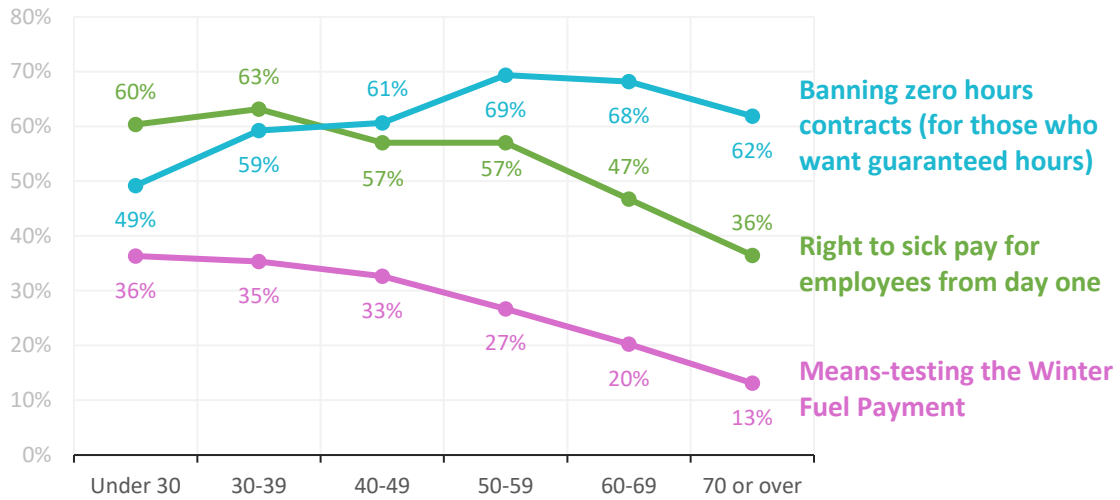
Note: darker green cells indicate higher values relative to others in the table. The final column uses its own colour coding running from low (red) to high (green). The two England-related policies (breakfast clubs and bus fare cap increase) were asked only of respondents in England (n=4,582). The sample size for the other policies was 5,133 (all who had heard something about the Budget).

Support for each policy varies across different socio-economic groups in the following ways:

- The rise in the NLW is broadly supported across most groups, including by age, income and politics.
- Protection against dismissal for expectant and new mothers is widely supported. A gender gap does exist, however, with 72% of female respondents supporting it (either 'strongly support' or 'tend to support', which all subsequent figures in this section use) compared with 59% of males.
- We see a small decrease in support for free breakfast clubs among the over 70s (59% support, compared with 66% support among all households). There is some variation by politics in support for this policy: Reform (54%), Conservative (57%), Labour (76%) and SNP (89%) .
- Around two-thirds of minority ethnic respondents (68%) and those with someone disabled in the household (66%) were in favour of strengthening equal pay legislation for ethnic minorities and disabled people, slightly higher than average (60%). Support drops to 43% among Reform voters and 50% among Conservatives.
- The under 30s were less likely to support the changes to zero hours contracts (49% support, compared with a high of 69% among those aged 50-59 – see Figure 7). Those on zero hours contracts were also slightly less likely than other workers to support this measure (55% support vs 62% support). While the question wording implied that the ban applies only to those who want guaranteed hours, there may still be uncertainty around how the ban might work in practice. [Other research](#) has found that some people on zero hours contracts are attracted by the flexibility of such roles.
- As Figure 7 shows, there is a significant age divide in support for the right to sickness pay for employees from day one. While over 60% of those under 40 support this measure, this falls to 47% among those aged 60-69 and to just 36% among the over 70s. Support sits at 64% among households in receipt of disability benefits.
- Support for the two-child limit on means-tested benefits is relatively stable across different groups, but with less support among social renters (37%), the bottom income quintile (39%), and among SNP voters (35%) and those who voted for an 'other' party (34%). 43% of those on means-tested benefits appear to support the policy, as do 42% of households with three or more children. This drops to 31% among those on Universal Credit with three or more children, but this is not a statistically significant difference given the sample size (n=58).
- The means-testing of the Winter Fuel Payment faces widespread opposition, but younger adults were generally less opposed to it than older age groups (as shown in Figure 7). The highest level of support is among working age adults in the top income quintile (42% support and 35% oppose), while pensioners in the bottom income quintile were unsurprisingly least supportive (8% support and 84% oppose). Support increases somewhat among those in receipt of pension credit but still more remain opposed than in favour (33% support and 46% oppose). Labour and Lib Dem voters were more supportive than average, but again were still more likely to oppose the measure than support it (Labour = 38% support and 39% oppose; Lib Dem = 39% support and 43% oppose).
- While there is relatively low support for the increase in the bus fare cap from £2 to £3, it is unsurprisingly even lower among households without car access (13% support and 59% oppose, compared with 22% support and 47% oppose among car-owning households). It should also be noted that, as Figure 8 shows, our data demonstrates how the lowest-income households are almost twice as likely to not own a car (29% have no car, compared to 15% of those in the top income quintile). Two-thirds (66%) of carless households in the bottom income quintile are opposed to the cap rise, compared to 47% in the third income quintile.

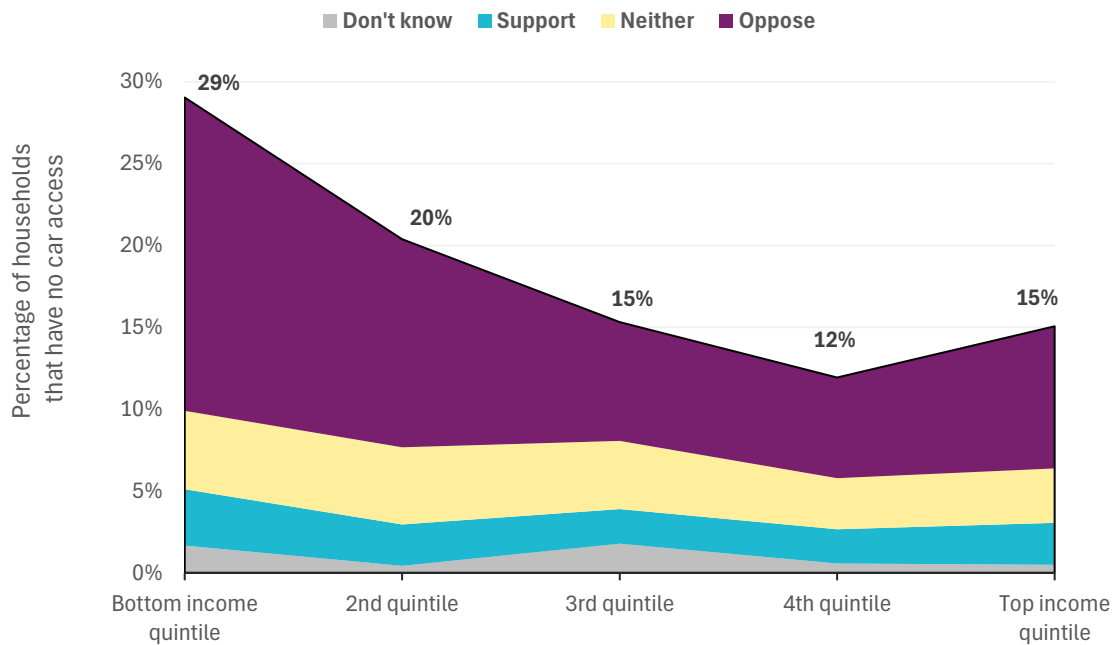
Our separate main Tracker report (which will also be published in December 2024) considers the financial impact of some of these policies on different households in more detail.

Figure 7 – Support for three government policies, by age group ('strongly support' or 'tend to support')



Notes: sample sizes as follows: under 30 = 487; 30-39 = 774; 40-49 = 817; 50-59 = 992; 60-69 = 1,061; 70 or over = 1,002.

Figure 8 – Percentage of households with no car access, by income group. Colours indicate the level of support or opposition to the bus fare cap rise among carless households within each income group.



Notes: sample sizes as follows: bottom income quintile = 203; 2nd quintile = 164; 3rd quintile = 105; 4th income quintile = 66; top income quintile = 86.

Technical note

The survey was undertaken by Opinium between 4th and 13th November 2024 for the abrdn Financial Fairness Trust and was conducted online. It is the 11th in a series of cross-sectional surveys tracking the financial impact of the coronavirus pandemic and subsequent cost of living crisis on UK households, by asking key questions repeated at several time points. In each wave, these key questions are supplemented by new questions that aim to capture and reflect the evolving situation.

The sample for this report consists of 5,804 respondents recruited from Opinium's online panel (which is designed to be nationally- and politically-representative). The base for analysis is people who are responsible for the household finances. Non-householders who are responsible only for their own personal finances (most of whom were aged under 25 and lived at home with their parents) are not included in the analysis for this report.

If you are interested in potentially using data from this report or seeing more detailed results tables, please email pfrc-manager@bristol.ac.uk.



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About the Personal Finance Research Centre (PFRC)

PFRC is an interdisciplinary research centre exploring the financial issues that affect individuals and households. It combines multi-method approaches with specialisms drawn from social policy, human geography, psychology and social research.

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About abrdn Financial Fairness Trust

abrdn Financial Fairness Trust is an independent charitable foundation supporting strategic work which tackles financial problems and improves living standards. Its focus is improving the lives of people on low-to-middle incomes in the UK.

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