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This month will see the Chancellor deliver his Autumn Statement in response to the latest economic and fiscal outlook report from the Office for Budget Responsibility (OBR). We take a look at some of the measures that business groups are hoping for as the 29 November draws closer.

AUTUMN STATEMENT PREDICTIONS

29 November will see Chancellor George Osborne take to the stand to deliver the eagerly anticipated Autumn Statement. The UK economy is in desperate need of a growth spurt, despite the recent £75 billion Quantitative Easing boost, and business groups are already campaigning for the announcements they want to see.

Here are some of the Autumn Statement rumours and suggestions that are doing the rounds:

Credit easing

It almost certain that 'credit easing' will be announced by the Chancellor later this month. The formalities of which have yet to be decided, but reports suggest that it will involve the public sector buying bonds issued by companies - in an attempt to cut the cost of credit for companies, and also boost the supply of credit.

Targeted VAT cuts and NIC holidays

The Federation of Small Businesses (FSB) is calling for the Government to introduce a targeted VAT cut to encourage people to spend in specific areas. The FSB also wants to see an extension of the NICs holiday that is currently available to qualifying new businesses, to existing businesses across the UK that have fewer than four employees and that employ up to three more staff.

Banking reform

The Chancellor has been urged to use the Autumn Statement to respond to the Independent Commission on Banking's (ICB) Final Report and boost competition in the banking sector.

Capital allowances

Business bodies have called for the introduction of 100 per cent first year capital allowances for a time limited period of two years.

Corporation tax

The main rate of corporation tax was reduced to 26 per cent from April 2011 in this year's Budget, and will reduce by a further 1 per cent each year to 23 per cent in 2014. However, the Institute of Directors (IoD) has called for the Chancellor to cut corporation tax to 15 per cent by 2020.

Growth Review

The second phase of the Growth Review is due to be announced alongside the Autumn Statement. However, business groups have called for it to be reformed, claiming it is not currently targeting the most important drivers of growth. If it goes ahead as planned, the second phase will focus on skills, infrastructure, logistics, medium-sized businesses and the rural economy.

What will be announced remains to be seen, but we will have a full report of the Autumn Statement available the day after it has been delivered. Please contact us for more details.

BUSINESS REGULATION REFORMS

Pension reforms

Between 2012 and 2016 new rules are coming into force that will mean that as an employer, you will have to:

- Automatically enrol certain workers into a pension scheme
- Make contributions on your worker's behalf
- Register with the Pensions Regulator
- Provide workers with certain information about the changes and how they will affect them.

Unfair dismissal rules

The qualification period for the right to claim unfair dismissal will be extended from one to two years, from 6 April 2012.

Please contact us for more information on these regulation reforms.

YOUR MONEY

Are your savings safe?

October saw 12 banks and building societies have their credit rating reduced, including Lloyds, Santander, RBS, and the Co-operative Bank, prompting many to question the safety of their savings.

The Financial Services Compensation Scheme (FSCS) is the UK's compensation fund of last resort for customers of authorised financial services firms. It covers private individuals and some eligible smaller businesses against losses if a financial institution defaults. There are limits to this cover.

What does the FSCS cover?

For savings deposits held in a bank or building society account, the FSCS will cover you for 100 per cent of £85,000 per person per financial institution.

What classifies as a financial institution?

It is important to note that a financial institution is not necessarily a bank or building society on its own. Since the financial crisis began, a number of banks and building societies have merged, meaning that two may only class as one financial institution for the sake of the FSCS.

Essentially, a financial institution is separately authorised by the Financial Services Authority (FSA).

For example:

Halifax, Bank of Scotland and Birmingham Midshires, are all part of the giant HBOS group, and authorised by the FSA as HBOS Group, meaning that the protection limit is combined and you would only get £85,000 for all together.

Visit www.fscs.org.uk for more information.

What else does the FSCS cover?

As well as deposits, the FSCS also covers individuals and eligible small businesses for:

- Insurance policies - 90% of the claim with no upper limit. Compulsory insurance is protected in full.
- Insurance broking - 90% of the claim with no upper limit. Compulsory insurance is protected in full.
- Investment business - 100 per cent of the first £50,000 per person per firm (for claims against firms declared in default from 1 January 2010).
- Home finance (for claims against firms declared in default from 1 January 2010) - £50,000 per person per firm.

November's Money Facts

Current bank rate	0.5%
Quantitative Easing Scheme	£275 billion
Current inflation	5.2%