

## BUDGET MARCH 2020: SUMMARY OF KEY POLICY ANNOUNCEMENTS

<b>SUBJECT</b>	<b>MEASURE / ANNOUNCEMENT</b>
<b>Covid-19 response</b>	<ul style="list-style-type: none"> <li>• Increased Business Rates Relief to 100% for small businesses affected by COVID-19</li> <li>• Statutory Sick Pay will be available to all of those who are advised to self-isolate</li> <li>• Government will refund up to 14 days Statutory Sick Pay to businesses</li> <li>• £3k cash grant to small firms eligible for Small Business Rate Relief</li> <li>• Time to Pay to be upscaled, including a dedicated HMRC helpline</li> <li>• Coronavirus Business Interruption Loan Scheme to give lenders a guarantee of 80% on each loan (subject to a per lender cap on claims)</li> </ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>• £5.2bn investment in flood defences</li> <li>• £510m in shared rural mobile phone network to achieve 95% 4G coverage</li> <li>• £5bn in gigabit capable broadband</li> <li>• £5.2bn for flood defences between 2021 and 2027</li> <li>• £10.9bn increase in housing investment</li> </ul>
<b>Transport</b>	<ul style="list-style-type: none"> <li>• £2.5bn pothole fund</li> <li>• £500m to support roll out of new rapid vehicle charging hubs</li> <li>• £20m to develop the Midlands Rail Hub</li> <li>• National Infrastructure Strategy published in the Spring</li> <li>• £27bn in RIS2 for English strategic roads between 2020 and 2025</li> </ul>
<b>Environmental Taxation (including Fuel and Vehicle Duty)</b>	<ul style="list-style-type: none"> <li>• Fuel duty frozen for one year</li> <li>• Climate Change Levy (CCL): increased for gas to £0.00568/kWh in 2022-23 but frozen for electricity</li> <li>• Entitlement to use red diesel and rebated biofuels is removed from April 2022</li> </ul>
<b>Energy, environment, and net zero</b>	<ul style="list-style-type: none"> <li>• £900m for nuclear fusion, space and electric vehicles</li> <li>• Climate Change Agreement scheme (to reduce companies' Climate Change Levy bill) extended by two years</li> <li>• Energy Innovation Programme doubled</li> <li>• £304m for local authorities to reduce nitrogen dioxide emissions</li> <li>• Two Carbon Capture and Storage (CCS) sites by 2030 and £800m CCS fund</li> </ul>
<b>Housing and Planning</b>	<ul style="list-style-type: none"> <li>• £1.1bn from Housing Infrastructure Fund to build c 70K new homes on brownfield land in high demand areas</li> <li>• Extension of affordable homes programme</li> <li>• comprehensive reforms to bring the planning system, followed by a Planning White Paper in the spring.</li> <li>• A long-term Spatial Framework to support strategic planning in the OxCam Arc.</li> </ul>

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<b>Labour Market</b>	<ul style="list-style-type: none"> <li>• Employment allowance to increase from £3,000 to £4,000</li> <li>• The tax threshold for National Insurance Contributions will rise from £8,632 to £9,500</li> <li>• National Living Wage to rise to £10.50 per hour by 2024</li> <li>• Consultation on the design of a new Carers' Leave in-work entitlement</li> <li>• A new entitlement to neonatal leave and pay for employees whose babies spend an extended period of time in neonatal care</li> <li>• Support for self-employed parents to continue to run their businesses, as part of a wider review of Parental Pay and Leave.</li> <li>• NI relief for businesses employing veterans</li> </ul>
<b>Education and Skills</b>	<ul style="list-style-type: none"> <li>• VAT removed on digital books</li> <li>• Review of the Apprenticeship Levy and will ensure that sufficient funding is made available in 2020-21 for SME apprenticeships</li> <li>• £1.5bn capital investment in college estate over 5 years</li> <li>• Consultation on a £3 billion National Skills Fund to improve adult skills</li> <li>• £120m capital investment for up to eight new Institutes of Technology</li> <li>• £7m for 11 new maths schools</li> <li>• £95 million for providers in England to support the rollout of T levels from autumn 2021</li> </ul>
<b>Childcare</b>	<ul style="list-style-type: none"> <li>• Tax Free Childcare made easier to access</li> </ul>
<b>Research &amp; Development</b>	<ul style="list-style-type: none"> <li>• Increase public R&amp;D investment to £22 billion per year by 2024-25</li> <li>• Increase the rate of R&amp;D tax credits from 12% to 13% and consult on widening the definition of qualifying expenditure to include data and cloud computing</li> <li>• increasing the rate of Research &amp; Development Expenditure Credit from 12% to 13%.</li> <li>• Immediate funding boost of up to £400m in 2020-21 for research, infrastructure &amp; equipment</li> </ul>
<b>Local Growth / Devolution</b>	<ul style="list-style-type: none"> <li>• New devolution deal for West Yorkshire – to establish a Mayoral Combined Authority with a directly-elected Mayor from May '21</li> <li>• £4.2 billion from 2022-23 for five-year funding settlements for eight Mayoral Combined Authorities to put forward transport schemes</li> <li>• Review of the Treasury Green Book to be launched</li> <li>• Through Barnett formula - extra £640m for the Scottish Government, £360m for the Welsh Government and £210m for the Northern Ireland Executive</li> <li>• £242m to fund a further four City and Growth deals across Scotland/Wales/Northern Ireland</li> </ul>

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	<ul style="list-style-type: none"> <li>At the CSR the government will set out funding to meet commitments to replace the Common Agricultural Policy and EU structural funds</li> </ul>
<b>Pensions</b>	<ul style="list-style-type: none"> <li>Increase annual allowance taper threshold and adjusted income limit, reduce minimum annual allowance</li> <li>Lifetime allowance will increase in line with CPI for 2020-21, rising to £1,073,100</li> </ul>
<b>Business Regulation</b>	<ul style="list-style-type: none"> <li>Reforming Regulation Initiative to invite ideas from business and the public for regulatory reform</li> <li>£10m for Regulators' Pioneer Fund</li> </ul>
<b>Access to Finance</b>	<ul style="list-style-type: none"> <li>Funding for the Start Up Loans programme has been extended until March 2022</li> <li>£200m support for innovative high growth firms</li> <li>Extending and increasing the lending capacity of UK Export Finance (UKEF) - new £2 billion lending facility for projects supporting clean growth and a new £1 billion to support overseas buyers of UK defence and security goods and services</li> </ul>
<b>Business Taxation (including business rates)</b>	<ul style="list-style-type: none"> <li>Entrepreneurs Relief lifetime limit will be reduced from £10 million to £1 million.</li> <li>Increase the Employment Allowance from £3,000 to £4,000 from April 2020.</li> <li>Long-term review into the overall future of Business Rates to be launched in the Spring.</li> <li>Business rates in England will be abolished for firms in the retail, leisure and hospitality sectors with a rateable value below £51,000</li> <li>The annual rate of capital allowances available for qualifying investments to construct new, or renovate old, non-residential structures and buildings will increase from 2% to 3% from April 2020.</li> <li>Corporation tax rate will remain at 19%, rather than dropping to 17%</li> </ul>
<b>Brexit</b>	<ul style="list-style-type: none"> <li>Plans for Shared Prosperity Fund will be announced at the Comprehensive Spending Review</li> </ul>
<b>Business Support</b>	<ul style="list-style-type: none"> <li>£10 million to increase Growth Hub capacity and provide high-quality, core business advice and guidance across all 38 Growth Hubs</li> <li>£13 million to expand the British Library's network of Business and Intellectual Property Centres to 21 cities and 18 surrounding local library networks across England, providing entrepreneurs with business support, free access to market intelligence, IP workshops and one-to-one coaching.</li> <li>Business support reform: BEIS to lead on a digital service to provide businesses with tailored information about appropriate sources of support.</li> <li>Extension of the British Business Bank's Start-Up Loans programme to the end of 2021-22</li> <li>£200 million of additional investment in UK venture capital and growth finance in 2020-21 via the British Business Bank</li> <li>BEIS consultation on strengthening the powers of the Small Business Commissioner (SBC) in resolving payment disputes.</li> </ul>