

## **Budget Summary, 8 March 2017**

This summary of the Budget announced on 8 March 2017 takes excerpts from the text of the Spring Budget 2017 that have relevance to the field of heritage science.

The excerpts are referenced to the full Budget publication by section heading, page number and paragraph number.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/597467/spring\\_budget\\_2017\\_web.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/597467/spring_budget_2017_web.pdf)

### **Executive Summary**

p.1 As the UK begins the formal process of exiting the European Union, the Spring Budget puts economic stability first. Following a period of robust economic growth, record levels of employment and a falling deficit, it sets out further progress in restoring the public finances to health. Building on the Industrial Strategy, it goes further in tackling the UK's productivity challenge.

The Spring Budget also marks the transition to a single fiscal event each year, an autumn Budget.

### **Section 3 – Tax**

p.33 *Corporate tax*

3.12 Research and development (R&D) tax review – The Industrial Strategy green paper sets out the government's ambition to drive up the level of private investment in science, research and innovation across the economy. The review of the R&D tax regime has found that the UK's R&D tax credits regime is an effective and internationally competitive element of the government's support for innovation. To further support investment, the government will make administrative changes to the Research and Development Expenditure Credit to increase the certainty and simplicity around claims and will take action to improve awareness of R&D tax credits among SMEs. The government will continue to keep the competitiveness of the UK environment for R&D under review to ensure that the UK is profoundly pro-innovation.

### **Section 4 – Productivity**

p. 41 *Further and Higher Education*

4.11 The Budget announces:

- T-levels: 16-19 Technical education – The government will deliver the recommendations of Lord Sainsbury's panel. The government will increase the number of programme hours of training for 16-19 year olds on technical routes by more than 50%, to over 900 hours a year on average, including the completion of a high quality industry work placement during the programme. To ensure the routes are well-designed and colleges properly prepared, they will be introduced from 2019-20, increasing funding in line with this roll out, with over £500 million of additional funding invested per year once routes are fully implemented.

- Further Education maintenance loans – The government's aim is to encourage students to continue their training at high quality institutions such as National Colleges or Institutes of Technology. This will create real parity with the academic route and develop the higher-level skills employers demand. From 2019-20, the government will provide maintenance loans, like those available to university students, to students on technical education courses at levels 4 to 6 in

National Colleges and Institutes of Technology. This will also support adults to retrain at these institutions.

4.12 In the modern global economy, the government recognises that individuals should have the opportunity to retrain and upskill at all points in their life, and to develop skills at the highest level. The Budget sets out further steps to achieve this ambition:

- Lifelong learning pilots – The changing nature of work makes retraining and reskilling essential and so the government will spend up to £40 million by 2018-19 to test different approaches to help people to retrain and upskill throughout their working lives.
- Return to work support – The government will work with business groups and public sector organisations to identify how best to increase the number of returnships, supported by £5 million of new funding. Returnships offer people who have taken lengthy career breaks a clear route back to employment.

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- Part-time maintenance loans – To promote equality with full-time undergraduate study and support lifelong learning, the government confirms the terms of maintenance loans for part-time undergraduates, previously announced at Spending Review 2015. These loans will become available for degree level study in 2018-19, with an extension to distance learning and sub-degree study in 2019-20.
- Doctoral loans – The government confirms the terms of doctoral loans for 2018-19, previously announced at Budget 2016. These new loans will provide up to £25,000 for doctoral study and have the potential to reach a wider range of students and research than before.

p. 43 *National Productivity Investment Fund*

4.15 At Autumn Statement 2016, the government established the NPIF to provide over £23 billion of high-value investment between 2017-18 and 2021-22, with a focus on priority areas that are critical for improving productivity: economic infrastructure, housing and R&D.

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4.23 R&D – Autumn Statement 2016 announced £4.7 billion from the NPIF for R&D, to support the UK's world-leading research and ensure that the next generation of discoveries are made, developed and commercialised in Britain. The Budget announces the first investments.

4.24 Industrial Strategy Challenge Fund (ISCF) – The new ISCF will support collaborations between business and the UK's science base. An initial investment of £270 million in 2017-18 will kick-start the development of disruptive technologies that have the potential to transform the UK economy. Following engagement with experts in academia and industry, the Budget announces that the first wave of challenges funded from the ISCF will include the following:

- leading the world in the development, design and manufacture of batteries that will power the next generation of electric vehicles, helping to tackle air pollution
- developing cutting-edge artificial intelligence and robotics systems that will operate in extreme and hazardous environments, including off-shore energy, nuclear energy, space and deep mining
- accelerating patient access to new drugs and treatments through developing brand new medicine manufacturing technologies, helping to improve public health

4.25 Talent funding – The NPIF will invest £250 million over the next four years to continue to build the pipeline of high-skilled research talent necessary for a growing and innovative economy:

- £90 million will provide an additional 1,000 PhD places in areas aligned with the Industrial Strategy. Around 85% will be in STEM disciplines, and 40% will directly help strengthen collaboration between business and academia through industrial partnerships
- a further £160 million will support new fellowships for early and mid-career researchers in areas aligned to the Industrial Strategy

p.45 4.26 Global research talent – The government will invest over £100 million over the next 4 years to attract the brightest minds to the UK, to help maintain the UK’s position as a world-leader in science and research. This includes:

- £50 million of NPIF funding specifically ring-fenced for fellowship programmes to attract global talent

- over £50 million from existing international funds will support fellowships that attract researchers to the UK from emerging research powerhouses like India, China, Brazil and Mexico.

#### *Cities and regions*

4.27 As set out in the Industrial Strategy green paper, the government’s ambition is to support growth in all areas of the UK. The government will shortly be announcing the Midlands Engine Strategy, and is continuing to build the Northern Powerhouse.

### **Section 5 Public services and markets**

Under details on spending:

p.48 5.12 Centenary fund – The government will create a new £5 million fund for projects to celebrate the centenary of voting rights being extended to women for the first time in 1918.

p. 49 5.15 400th anniversary of the Mayflower crossing – To celebrate the 400th anniversary of the Atlantic crossing of the Mayflower, the government will appoint a Government Representative for Mayflower Anniversary Celebrations to assist in co-ordinating the UK wide events.

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