



HM Treasury

## Autumn Budget 2017

### Support for Business

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- **Support for business is at the heart of the Budget. It promotes the UK as a great place to develop a business, provides targeted support for firms in the near term and sets out additional investments in skills, infrastructure and innovation to build the new economy in the long term.**

**In the near term, business will benefit from:**

- **a business rates package saving businesses £2.3 billion by 2022-23.** It includes:
  - saving all ratepayers money by switching indexation from RPI to CPI from April 2018, two years earlier than planned. By 2022-23, in England, this will have saved the average high street shop £800, the average pub £1,480, and the average restaurant £1,680
  - revaluing properties every three years, instead of five, following the next revaluation, which is currently due in 2022
  - legislating to address the so-called 'staircase tax', where a recent Supreme Court judgement increased bills for some businesses in multi-occupancy buildings. Businesses will be able to ask for the change to be backdated
  - continuing the £1,000 discount for pubs in England with a rateable value of up to £100,000
- **a fuel duty freeze for the eighth successive year**, saving the average van driver £400 per year and an HGV driver £3,600 per year compared to pre-2010 plans
- **the extension of the Enterprise Finance Guarantee to March 2022**, securing up to £500 million worth of loans to small businesses each year
- action to unlock the potential of UK exporters and their suppliers through a new UK Export Finance product to support export supply chains

**To make sure everyone has the skills they need, the Budget announces:**

- another **£261 million will be invested in maths and computer science education**. This will include tripling the number of fully-qualified computer science teachers to 12,000 and providing £600 to schools and colleges for each additional 16 year old pupil who decides to study Maths A Level or Core Maths
- the government will continue to work with employers on how the **Apprenticeship Levy** can be spent so that the levy works effectively and flexibly for industry, and supports productivity.
- to develop the **National Retraining Scheme**, the government will enter into a formal skills partnership with the Trades Union Congress and the Confederation of British Industry. As a first step, we will invest £64m in digital and construction training

**To improve the infrastructure that businesses rely on, the Budget announces:**

- **the National Productivity Investment Fund (NPIF), introduced last year, will be extended to 2022-23 and increased to £31 billion.** This increase will support jobs and growth by investing in housing, transport, R&D and digital communications across the UK. Excluding the exceptional years following the financial crisis, overall public investment will reach its highest level in 30 years by 2020-21 (as a percentage of GDP)
- **a Transforming Cities Fund will invest almost £1.7 billion to improve local transport and tackle congestion.** Half will be allocated via competition and half will be allocated to the six areas with elected metro-mayors: £74 million for Cambridgeshire and Peterborough, £243 million for Greater Manchester, £134 million for Liverpool City Region, £80 million for West of England, £250 million for West Midlands and £59 million for Tees Valley
- **Over £15 billion of new financial support for house building over the next five years,** bringing total support for housing to at least £44 billion over this period, and planning reforms to ensure more land is available for housing

**To support investment in new technology, innovation and R&D, the Budget announces:**

- **the largest boost to R&D support for 40 years.** Government spending on R&D will increase by a further £2.3 billion in 2021-22, taking total spend on R&D in that year to £12.5 billion. The industrial strategy white paper will provide further detail on what this funding will support
- **the R&D Expenditure Credit (RDEC) will be made more generous,** increasing support for businesses investing in R&D, with the rate increasing from 11% to 12% on 1 January 2018
- to strengthen our world leading position in R&D, **the government is making it easier to employ international scientists and researchers,** and encouraging top international researchers to stay in the UK and contribute to the UK research sector
- the government will **unlock over £20 billion of new investment to finance growth in innovative firms.** The 10-year action plan includes:
  - a new Investment Fund within the British Business Bank
  - extending and re-directing investment through the Enterprise Investment Scheme
  - removing barriers to growth within Entrepreneur's Relief
  - supporting long-term investment by pension funds and other investors
- a **major package to ensure we are a world leader in electric cars,** including:
  - £200 million government investment, matched by the private sector, in a new £400 million fund to support the growth of chargepoint companies across the UK
  - an extra £100 million of NPIF funding for the Plug-In Car Grant to help consumers with the upfront cost of battery electric cars
  - regulatory measures to accelerate the deployment of charging infrastructure
- **expanding Tech City to become 'Tech Nation'** to help people start and grow a digital business anywhere in the UK. This will roll out successful support programmes to new hubs in Cambridge; Bristol and Bath; Manchester; Leeds and Sheffield; Newcastle; Reading; Birmingham; Edinburgh and Glasgow; Belfast; and Cardiff