

Budget 2016 Statement

The Heritage Alliance

17 March 2016

The Chancellor of the Exchequer, George Osborne, presented the 2016 [Budget](#) on 16 March. In it he announced a number of measures to support and develop our cultural resources.

The Heritage Alliance especially welcomes:

- the Government's commitment made by the Chancellor at the despatch box: "we invest in our physical infrastructure and we invest in our cultural infrastructure too";
- a review into sustaining England's churches and cathedrals, which will be set up to assess maintenance and repair pressures and examine how the sector can become more financially sustainable;
- progress on the Great Exhibition of the North for which £20m funding was announced in the last Spending Review;
- support to a range of individual sites as well as tax relief for museum and galleries to develop temporary and touring exhibitions.

We were, however, disappointed by the lack of support (again) for private owners who are responsible for maintaining the vast majority of our nation's heritage, and by the ending of the Building Property Renovation Allowance, which could have been used to incentivise the re-use of buildings coming out of public ownership.

We will also keep a watchful eye on proposals for streamlining the planning system, where we are concerned to avoid any reduction in the level of protection for the historic environment.

Loyd Grossman, Heritage Alliance Chair, said "we're pleased to have the Chancellor's continuing commitment to arts and heritage but we want to see those warm words translated into an effective heritage strategy. We look forward to more detail in the Government's Culture White Paper, expected next week."

For a long list of fiscal, funding and planning measures in the Budget potentially affecting our heritage see extracts below.

See: [Arts and culture](#); [Housing and planning](#); [Apprenticeships and lifetime learning](#); [National infrastructure](#); [Support for small businesses](#); [Support for self-employed](#); [Charity support via banking fines](#); [Devolution](#).

Budget 2016 extracts

Arts and culture:

- To encourage museums and galleries to develop creative new exhibitions and display their collections across the country, the government will introduce a new tax relief from 1 April 2017. This will be available for the costs of developing temporary or touring exhibitions and will follow a consultation on its design over summer 2016 (Finance Bill 2017).
- Broadening of the eligibility criteria for the VAT refund scheme for museums and galleries, with new guidance to allow a wider range of free museums to access the support [DCMS guidance [here](#)]
- Commitment of a further £13 million to Hull UK City of Culture 2017. This includes £5 million towards the refurbishment of Hull New Theatre and £8 million to ensure there is a lasting cultural legacy in Hull.
- Provision of £5 million support to the Shakespeare North project to establish a new theatre in Knowsley, subject to business case approval and planning permission being granted
- Provision of £500,000 to Welcome To Yorkshire for an international marketing campaign for the Tour de Yorkshire 2016.
- Provision of £1 million support to S1 Artspace to create an arts complex in Sheffield, subject to planning permission being granted.
- Great Exhibition of the North – Building on the announcement of £20 million funding at the Autumn Statement and Spending Review 2015, the government is inviting bids from northern cities and towns to host the Great Exhibition of the North.
- Investment of £14 million in STEAMhouse, subject to business case. This is a creative innovation centre in Digbeth, Birmingham, bringing together arts and culture with science, technology, engineering and maths to drive innovation.
- The government will also contribute £1 million towards the transformation of the historic Drapers' Hall in Coventry into a multi-purpose music venue.
- Contribution of £2 million towards the refurbishment of the Hall for Cornwall in Truro, subject to planning permission being granted.
- Contribution of £620,000 to Being Brunel: the National Brunel Project in Bristol.
- Support for the British Library's ambition to develop land to the north of its St Pancras site, subject to business case approval.
- First World War Centenary cathedral repairs fund and English Churches and Cathedrals Sustainability Review – The government will provide £20 million across 2016-17 and 2017-18 to extend the First World War Centenary cathedral repairs fund. A review into sustaining England's churches and cathedrals will be set up to assess maintenance and repair pressures and examine how the sector can become more financially sustainable.
- Dundee V&A – The government will contribute £5 million to the museum's fundraising campaign.
- Lloyd George Museum – The government confirms £27,000 of funding per year from 2017-18 to 2019-20 towards the Lloyd George Museum in north Wales.

Housing and planning:

- Intention to move to a more zonal and 'red line' planning approach, where local authorities use their local plans to signal their development strategy from the outset and make maximum use of permission in principle, to give early certainty and reduce the number of stages developers must go through to get planning permission.
- Measures to speed up the planning system, including minimising the delays caused by planning conditions, and ensuring the delivery of local plans by 2017.
- Legislate to ensure that pre-commencement planning conditions can only be used with the agreement of the developer; review the process of deemed discharge for conditions, to ensure it is effective and its use maximised.
- Provisions to provide greater freedoms and flexibilities for the deployment of mobile infrastructure, including reducing planning restrictions for existing telecoms infrastructure and allowing taller new ground based masts to be built.
- Release of public sector land for housing: the Homes and Communities Agency will work in partnership with Network Rail and local authorities to provide land around stations for housing, commercial development and regeneration. The government will set out shortly which sites will take part in the scheme
- Government support for construction of a new wave of garden towns and cities across the country, with the potential to deliver over 100,000 homes. With legislation to make it easier for local authorities to work together to create new garden towns, as well as consult on a second wave of Compulsory Purchase Order (CPO) reforms with the objective of making the CPO process clearer, fairer and quicker.
- For areas that want to establish smaller settlements, the government will provide technical and financial support to areas that want to establish garden villages and market towns of between 1,500 to 10,000 homes. The government will shortly announce what planning and financial flexibilities will be offered to local authorities that submit proposals for settlements that deliver a significant number of additional houses.

Apprenticeships and lifetime learning:

- Government committed to increasing the quality and quantity of apprenticeships, and will deliver 3 million apprenticeship starts by 2020.
- Direct government support will be available to adults wishing to study at any qualification level, from basic skills right the way up to PhD. From 2018-19, loans of up to £25,000 will be available to any English student without a Research Council living allowance who can win a place for doctoral study at a UK university.
- Master's loans – The government will extend the eligibility of master's loans to include three-year part-time courses with no full-time equivalent.

National Infrastructure:

- £300 million of funding to improve northern transport connectivity and is giving the green light to High Speed 3 between Leeds and Manchester.
- Green light to Crossrail 2, supported by £80 million to help fund development, working towards depositing a Hybrid Bill within this Parliament.
- Proposals for unlocking growth, housing and jobs in the Cambridge-Milton Keynes-Oxford corridor – the commission will report on the strategic infrastructure priorities needed to generate further growth and maximise the potential of this corridor, which encompasses some of the UK's fastest-growing and most productive cities.
- Accelerating the upgrade of the M62 to a four-lane smart motorway. The government will provide an extra £161 million on top of the existing road programme.
- Developing the future transformation of east-west road connections, including a new Trans-Pennine tunnel under the Peak District between Sheffield and Manchester, as well as options to enhance the A66, A69 and the north-west quadrant of the M60. The government will allocate £75 million, including to develop a business case for these schemes by the end of the year.
- Go ahead to £24 million from the Local Growth Fund to improve roads across North Yorkshire.

Support for small businesses:

- Lower corporation tax to 17% 1 April 2020 to support small and large businesses alike.
- Cut business rates for all properties and ensuring that the smallest businesses pay no rates at all. Starting 1 April 2017, businesses with a property with a rateable value of £12,000 and below will receive 100% relief [Small Business Rate Relief], with tapering relief for those between £12,000 and £15,000.
- Increase the threshold for the standard business rates multiplier to a rateable value of £51,000, taking 250,000 smaller properties out of the higher rate. This will reduce business rates for many small businesses – including some high street shops.
- The government will increase the VAT registration threshold in line with inflation. From the 1 April 2016 the VAT registration threshold will increase from £82,000 to £83,000 and the deregistration threshold from £80,000 to £81,000.

Support for self-employed:

- From April 2018, the Class 2 National Insurance Contribution (NIC) will be abolished.
- Reform Class 4 NIC, so that self-employed individuals continue to build entitlement to the State Pension and other contributory benefits.
- From 2018, businesses, self-employed people and landlords who are keeping their records digitally and providing regular digital updates to HMRC will if they wish be able to adopt pay-as-you-go tax payments – this will enable them on a voluntary basis to choose payment patterns that suit them and better manage their cashflow.

Charity support via banking fines:

- Commonwealth War Memorial, Dover £500,000 – to initiate a memorial of names commemorating the 1.7 million Commonwealth lives lost in WW1 and WW2.
- Royal British Legion £1.5 million matched funding – to commemorate RAF Bomber Command and the 55,296 lives lost in WW2.
- We'll Meet Again £200,000 – to establish a permanent interactive WW2 museum in Lincolnshire, delivering a unique learning experience to children across the region
- Bletchley Park Trust £1 million – to establish a major new exhibition of the Turing-Welchman Bombe, which helped to break the Enigma cipher in WW2.
- British Mercantile Marine Memorial Collection £1.23 million – to establish a unique collection of international maritime art in Hull.

Devolution:

- New devolution deals with the West of England, East Anglia, and Greater Lincolnshire.
- Previously agreed mayoral devolution deals will also each receive un-ringfenced single pots of funding to spend on local priorities, worth £2.86 billion in total. The single pots will initially include a five-year settlement rolling together existing transport funding, gainshare investment funds and Local Growth Fund allocations.
- Further steps in the allocation of the Local Growth Fund: up to £1.8 billion will be allocated through a further round of Growth Deals with Local Enterprise Partnerships later this year; a further £2 billion allocated through the Home Building Fund to provide finance to developers to unlock large housing sites and bring forward the necessary infrastructure that large house building projects require
- The government will create a new MarineHub Enterprise Zone in Cornwall following the transfer of Wave Hub to Cornwall Council. Subject to the necessary business case approvals and local agreements, the government will also create new Enterprise Zones in Brierley Hill in Dudley, and Loughborough and Leicester, as well as extending the Sheffield City Region Enterprise Zone.
- The next round of the Coastal Communities Fund, for projects starting in 2017-18, will open for applications this summer. The CCF funds projects across the UK which support sustainable economic growth and jobs in coastal communities.
- Over the next few years the numbers working in central London will reduce significantly. In addition, by the middle of this Parliament the Ministry of Justice will have a major programme to create substantial centres of expertise outside the capital.

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