

March 2020 Budget Summary

The Heritage Alliance

Key points

- A £30bn package has been announced to respond to Coronavirus – with the Chancellor admitting that there is likely to be “temporary disruption” ahead.
- The Spending Review has been launched, to be concluded by July.
- The Government has announced a review into the Green Book, examining how the design and use of project appraisal affects the ability of all areas to reach their economic potential. The government has committed to work with users, academics and others to publish a revised Green Book at the Spending Review in July.
- The Planning White Paper is due to be published this spring, with some reforms being set out by the Government in the coming days.

Coronavirus response

- **Business rates:** Have been suspended for a year for those businesses with a rateable value of less than £51,000. This relief has also been extended to include the leisure and hospitality sectors. Those businesses that are currently eligible for the small business rate relief will receive a £3,000 grant.
- A £500m "**hardship fund**" has been established for local authorities, aimed at helping vulnerable people in their areas.
- A "temporary coronavirus **business interruption loan scheme**" has been announced. Banks will offer loans of up to £1.2m to support small and medium-sized businesses.
- **Statutory sick pay:** The Government will meet the cost for up to 14 days for businesses with fewer than 250 employees. It has also been extended to all those who have been advised to self-isolate, even if they are not displaying symptoms.

Heritage-related issues

- **Cultural Investment Fund:** The £250 million fund for culture, heritage, local museums, and neighbourhood libraries as announced in October 2019 has been confirmed. Further details can be found [here](#).
- **Arts Premium:** £90 million a year from September 2021, which averages out as an extra £25,000 a year per secondary school for three years. The funding is designed to help schools to provide high quality arts programmes and extracurricular activities for pupils, including those delivered in partnership with arts organisations, as well as supporting teachers to deliver engaging and creative lessons in the arts.
- **National Museums maintenance:** A £27 million fund for critical maintenance work on the National Museums’ estates. More action on the maintenance challenges faced by the National Museums will be announced at the Spending Review. A further £180 million over 6 years for a new state-of-the-art storage and research facility for the Natural History Museum at Harwell Science and Innovation Campus.

- **Nature for Climate Fund:** £640 million for afforestation and peatland restoration in England – aiming to deliver a more than 600% increase in current tree planting rates. This will represent 30,000 hectares of trees.
- **Road investment:** The Government has committed to building a two-mile tunnel on the A303 to remove traffic from the area near Stonehenge. It is also taking forward works on the A66 Trans-Pennine, upgrading the A46 Newark bypass, and building the Lower Thames Crossing to increase road capacity across the Thames east of London by 90%. This is part of a wider £27bn investment package in roads. A £500m Pothole Fund will also be made available to improve the quality of existing roads.
- **Infrastructure:** The Government will publish a National Infrastructure Strategy later in the spring, which will set out its economic infrastructure priorities in more detail.
- **Green Gas Levy:** To encourage more environmentally-friendly ways of heating homes and other buildings, the Government will also introduce a Green Gas Levy to help fund the use of greener fuels, increase the Climate Change Levy that businesses pay on gas, and reopen and extend the Climate Change Agreement scheme by two years.
- **Scottish food and drink:** A £1 million campaign to promote the Scottish food and drink sector, including additional trade promotion to increase awareness and change perceptions of Scottish food and drink exports, including Scotch whisky. It will also expand tourism promotion campaigns to reach new markets.
- **British Library at Leeds and Boston Spa:** Up to £95 million is to be made available for the British Library site at Boston Spa, to create a British Library of the North. The Government will provide a £25 million Heritage Fund to the West Yorkshire Combined Authority to support the Library in establishing this new site.
- **Southampton Spitfire Memorial:** Up to £3 million in match-funding available to support the construction of a memorial to the Spitfire on the Southampton waterfront, in recognition of the individuals who built and flew the aircraft in the Second World War.
- **Red diesel:** The relief on red diesel is due to be abolished by 2022 in all sectors other than agriculture, fish farming, rail and non-commercial heating.
- **Flooding:** £120m will be made available immediately to repair damage due to the recent flooding. £200m will also be given directly to local communities to help build flood resilience. The Government will also double spending on flood defences.
- **DCMS Budget:** Has been increased from £1.6bn to £1.7bn. Details on what this will cover will be released with the Spending Review in July.
- **Further Education:** £1.5bn will be invested to refurbish further education colleges, while a new £2.5bn National Skills Fund will aim to improve adult skills.
- **Cladding:** £1bn will be spent on removing unsafe cladding from residential buildings above 18 metres.
- **Apprenticeships:** The government will now look at how to improve the working of the Apprenticeship Levy, to support large and small employers in meeting the long-term skills needs of the economy. In the meantime, the government will ensure that sufficient funding is made available in 2020-21 to support an increase in the number of new high-quality apprenticeships in small- and medium-sized businesses.

Other measures

- The **National Living Wage** will increase to two-thirds of median income by 2024.
- The threshold for **National Insurance Contributions** is due to rise from £8,632 to £9,500. This represents a tax cut to employees of just over a £100 a year.
- The “**tampon tax**” is to be scrapped in January 2021.
- **Digital publications** have been zero-rated for VAT.
- **Corporation tax** will remain at 19%.